ALLTEL CORP
Form S-4/A
May 02, 2005

As filed with the Securities and Exchange Commission on May 2, 2005
Registration No. 333-123596

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Amendment No. 1
to
Form S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933
ALLTEL CORPORATION
(Exact name of registrant as specified in its charter)

Delaware	**4812**	**34-0868285**
(State of other jurisdiction of incorporation or organization)	*(Primary standard industrial classification code number)*	*(IRS Employer Identification Number)*

One Allied Drive, Little Rock, Arkansas 72202
(501) 905-8000
(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)
Francis X. Frantz
Executive Vice President and Secretary
One Allied Drive
Little Rock, Arkansas 72202
(501) 905-8111
(Name, address, including zip code and telephone number, including area code of agent for service)

Copies to:

Friedman Kaplan Seiler & Adelman LLP	**Wachtell, Lipton, Rosen & Katz**	**Kutak Rock LLP**
Attention: Barry A. Adelman and Gregg S. Lerner	**Attention: Daniel A. Neff and Mark Gordon**	**Attention: John P. Fletcher**
1633 Broadway	**51 West 52nd Street**	**425 West Capitol Avenue, Suite 1100**
New York, New York 10019	**New York, New York 10019**	**Little Rock, AR 72201**
(212) 833-1100 (TEL)	**(212) 403-1000 (TEL)**	**(501) 975-3000 (TEL)**
(212) 833-1250 (FAX)	**(212) 403-2000 (FAX)**	**(501) 975-3001 (FAX)**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement is declared effective and all other conditions to the merger as described in the enclosed proxy statement/ prospectus are satisfied or waived.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: o

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

SUBJECT TO COMPLETION **MAY 2, 2005**

THE INFORMATION IN THIS PROXY STATEMENT/ PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. ALLTEL MAY NOT DISTRIBUTE AND ISSUE THE SHARES OF ALLTEL COMMON STOCK BEING REGISTERED PURSUANT TO THIS REGISTRATION STATEMENT UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS DECLARED EFFECTIVE. THIS PROXY STATEMENT/ PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND ALLTEL IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE SUCH OFFER OR SALE IS NOT PERMITTED.

[WESTERN WIRELESS CORPORATION LETTERHEAD]
Bellevue, Washington
, 2005

Dear Shareholders:

You are cordially invited to attend the annual meeting of shareholders of Western Wireless Corporation (Western Wireless) on , at (Pacific Time) at . Directions are provided on the back cover of this document.

On January 9, 2005, the board of directors of Western Wireless unanimously approved an agreement authorizing the merger of Western Wireless with and into a wholly-owned subsidiary of ALLTEL Corporation (ALLTEL). ALLTEL will acquire Western Wireless through the merger of Western Wireless with and into a wholly-owned subsidiary of ALLTEL that will survive the merger. As a result of the merger, the separate corporate existence of Western Wireless will cease and Western Wireless shareholders will no longer be able to trade shares of Western Wireless Class A common stock on the Nasdaq Stock Market or any other exchange. At the annual meeting you will be asked to approve and adopt the merger agreement and the merger. At the annual meeting, you will also be asked to consider and vote on a number of other regular annual meeting proposals, which we describe in the Notice of Annual Meeting of Shareholders on the following page. At the annual meeting, we will also report on Western Wireless operations and respond to any questions you may have.

In the merger, Western Wireless shareholders may elect to receive for each of their shares of Western Wireless common stock: (1) a combination of $9.25 in cash and 0.535 shares of ALLTEL common stock, (2) $40 in cash, subject to proration, or (3) 0.7 shares of ALLTEL common stock, also subject to proration. The cash and stock elections are subject to proration to preserve an overall mix of $9.25 in cash and approximately, but not less than, 0.535 shares of ALLTEL common stock for all of the outstanding shares of Western Wireless common stock taken together. As a result, even if you make the all cash or all stock election you may receive a prorated amount of cash and ALLTEL common stock. Western Wireless shareholders who fail to make an election will be deemed to have made the mixed election. A discussion of the proration mechanism as well as examples of hypothetical prorations can be found in the proxy statement/ prospectus under the heading The Merger Agreement Merger Consideration.

ALLTEL common stock is listed on the New York Stock Exchange and the Pacific Stock Exchange under the trading symbol AT. Western Wireless Class A common stock is listed on the Nasdaq Stock Market under the trading symbol WWCA. On , 2005, the closing prices of a share of ALLTEL common stock and Western Wireless Class A common stock were $ and $, respectively. It is anticipated that ALLTEL will issue up to an aggregate of approximately 59.3 million shares of its common stock to Western Wireless shareholders pursuant to the merger agreement, representing approximately % of the shares of ALLTEL common stock outstanding immediately after the merger. The approximate value of the transaction is $6 billion, taking into account (i) the issuance of up to an aggregate of approximately 59.3 million shares of ALLTEL common stock, (ii) payment by ALLTEL of approximately $1.0 billion in cash to shareholders of Western Wireless, and (iii) the assumption by ALLTEL or its subsidiaries of approximately $2.1 billion of Western Wireless debt.

Before deciding how to vote on the merger, you should consider the Risk Factors beginning on page of the proxy statement/prospectus.

Your board of directors has unanimously determined that the merger agreement and the merger are advisable, fair to and in the best interests of Western Wireless and its shareholders and unanimously recommends that you vote FOR the approval and adoption of the merger agreement and the merger. The merger cannot be completed unless holders of outstanding shares of Western Wireless Class A and Class B common stock, voting together as a single class, representing at least two-thirds of all the votes entitled to be cast by such holders vote to approve and adopt the merger agreement and the merger. **You should be aware that certain shareholders that hold an aggregate of approximately 41% of the aggregate number of votes entitled to be cast have already agreed with ALLTEL to vote or cause to be voted all of the Western Wireless shares they own in favor of the approval and adoption of the merger agreement and the merger.**

No vote of ALLTEL shareholders is required to complete the merger.

The proxy statement/ prospectus provides you with detailed information about the annual meeting, the proposed merger and certain other information. You may obtain additional information about us and ALLTEL from documents we and ALLTEL have filed with the Securities and Exchange Commission. See Where You Can Find More Information in the proxy statement/ prospectus. We strongly encourage you to read the proxy statement/ prospectus carefully.

Very truly yours,

John W. Stanton
Chairman and Chief Executive Officer

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the shares of common stock to be issued by ALLTEL under the proxy statement/ prospectus or passed upon the adequacy or accuracy of the proxy statement/ prospectus. Any representation to the contrary is a criminal offense.

The proxy statement/ prospectus is dated , 2005, and is being first mailed to Western Wireless shareholders on or about , 2005.

Western Wireless Corporation

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

, 2005

TO THE SHAREHOLDERS OF WESTERN WIRELESS CORPORATION:

Notice is hereby given that the annual meeting of shareholders of Western Wireless Corporation will be held at on , 2005 at a.m. (Pacific Time), to consider and act upon the following matters:

1. To consider and vote upon a proposal to approve and adopt the Agreement and Plan of Merger, dated as of January 9, 2005 (referred to in the proxy statement/ prospectus as the merger agreement), by and among ALLTEL Corporation, a Delaware corporation (ALLTEL), Wigeon Acquisition LLC, a Washington limited liability company and a wholly-owned subsidiary of ALLTEL (Merger Sub), and Western Wireless Corporation, a Washington corporation (Western Wireless), and to approve and adopt the merger contemplated thereby (referred to in the proxy statement/ prospectus as the merger), pursuant to which Western Wireless will merge with and into Merger Sub, after which Merger Sub will survive the transaction and continue to be a wholly-owned subsidiary of ALLTEL and the separate corporate existence of Western Wireless will cease.

2. To elect nine directors to serve until the next annual meeting of shareholders and until their successors are elected and qualified or until the consummation of the merger.

3. To ratify the selection of PricewaterhouseCoopers LLP as Western Wireless independent registered public accounting firm for 2005.

4. To approve the Western Wireless Corporation 2005 Long-Term Equity Incentive Plan.

5. To adjourn or postpone the annual meeting, if necessary, to solicit additional proxies for the approval and adoption of the merger agreement and the merger.

6. To transact such other business as may properly come before the annual meeting or any adjournments thereof.

Western Wireless board of directors has fixed the close of business on , 2005, as the record date for the determination of shareholders entitled to notice of, and to vote at, the annual meeting or any adjournments or postponements of the annual meeting.

The accompanying proxy statement/ prospectus describes the terms and conditions of the merger agreement and includes, as Annex A, a copy of the merger agreement. We urge you to read the enclosed materials carefully for a complete description of the merger. The accompanying proxy statement/ prospectus is a part of this notice.

You are cordially invited to attend the annual meeting. Your proxy is being solicited by Western Wireless board of directors. **Even if you plan to attend the annual meeting, we urge you to submit a valid proxy promptly. If your shares of Western Wireless common stock are registered in your own name, you may submit your proxy by signing, dating and returning the proxy in the enclosed envelope, which requires no postage if mailed in the United States. If your shares are held in street name you should follow the directions your broker or bank provides.**

Granting your proxy will impact your dissenters rights in respect of the merger. Under Washington law, only Western Wireless shareholders who do not vote in favor of the approval and adoption of the merger agreement and the merger and who deliver to Western Wireless before the annual meeting a written notice of dissent and otherwise comply with the provisions of Chapter 23B.13 of the Washington Business Corporation Act will be entitled, if the merger is completed, to statutory appraisal of the fair value of their shares of Western Wireless common stock as discussed in the proxy statement/ prospectus under the heading Dissenters Rights.

Your vote is very important. We urge you to review the enclosed materials and return your proxy card. Your board of directors unanimously recommends that shareholders vote FOR the approval and adoption of the merger agreement and the merger. The Western Wireless board of directors also unanimously recommends that Western Wireless shareholders vote FOR each of the director nominees listed under the heading Election of Directors Information about the Nominees, FOR the ratification of the selection of PricewaterhouseCoopers LLP as Western Wireless independent registered public accounting firm for 2005 and FOR the approval of the Western Wireless Corporation 2005 Long-Term Equity Incentive Plan.

By Order of the Board of Directors,

Jeffrey A. Christianson
Senior Vice President, General Counsel and Secretary

Bellevue, Washington
, 2005

REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/ prospectus incorporates important business and financial information about ALLTEL Corporation and Western Wireless Corporation from documents previously filed with the Securities and Exchange Commission that are not included in or delivered with this proxy statement/ prospectus. This information is available to you without charge upon your written or oral request. You can obtain documents incorporated by reference in this proxy statement/ prospectus by requesting them in writing, by telephone or by e-mail from the appropriate company with the following contact information:

Western Wireless Corporation:	**ALLTEL Corporation:**
Investor Relations 3650 131st Avenue SE Bellevue, Washington 98006 (425) 586-8700 email address: investor.relations@wwireless.com	Investor Relations Department One Allied Drive Little Rock, Arkansas 72202 (877) 446-3628 email address: alltel.investor.relations@alltel.com

If you would like to request any documents, please do so by , 2005 in order to receive them before the annual meeting.

See Where You Can Find More Information for more information about the documents referred to in this proxy statement/ prospectus.

In addition, if you have questions about the merger you may contact:

INFORMATION INCLUDED IN THE PROXY STATEMENT/ PROSPECTUS REGARDING ALLTEL AND WESTERN WIRELESS (INCLUDING THE FINANCIAL ADVISOR TO WESTERN WIRELESS) WAS PROVIDED BY ALLTEL AND WESTERN WIRELESS, RESPECTIVELY. NEITHER COMPANY WARRANTS THE ACCURACY OF INFORMATION PROVIDED BY THE OTHER COMPANY.

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QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING AND THE MERGER

The Merger

Q: What is the proposed transaction?

A: You are being asked to vote to approve and adopt an agreement and plan of merger among ALLTEL, Merger Sub and Western Wireless and approve and adopt the merger contemplated by the agreement and plan of merger (in this proxy statement/prospectus, we refer to the agreement and plan of merger as the merger agreement and the merger contemplated thereby as the merger). In the merger, Western Wireless will merge with and into Merger Sub, a newly formed limited liability company and wholly-owned subsidiary of ALLTEL. After the merger, Merger Sub will be the surviving entity and the separate corporate existence of Western Wireless will cease.

Q: What will I be entitled to receive pursuant to the merger agreement?

A: The basic consideration in the merger is $9.25 in cash and 0.535 shares of ALLTEL common stock for each share of Western Wireless Class A and Class B common stock (which are collectively referred to in this proxy statement/prospectus as the Western Wireless common stock) outstanding immediately prior to completion of the merger, and you are entitled to elect to receive this basic mix. Alternatively, you may elect to receive either $40 in cash or 0.7 shares of ALLTEL common stock for each share of Western Wireless common stock that you own by making a cash election or a stock election, respectively. The cash and stock elections are subject to proration to preserve an overall mix of $9.25 in cash and approximately, but not less than, 0.535 shares of ALLTEL common stock for all of the outstanding shares of Western Wireless common stock taken together. As a result, even if you make the all cash or all stock election you may receive a prorated amount of cash and ALLTEL common stock. If you fail to make an election, you will be deemed to have made the mixed election. A discussion of the proration mechanism as well as examples of hypothetical prorations can be found in this proxy statement/prospectus under the heading The Merger Agreement Merger Consideration.

You will not be entitled to receive any fractional shares of ALLTEL common stock. Instead, you will be entitled to receive cash, without interest, for any fractional share of ALLTEL common stock you might otherwise have been entitled to receive based on the closing price of the ALLTEL common stock on the date the merger occurs.

Q: Do I have dissenters rights in respect of the merger?

A: Yes. If you do not vote in favor of the approval and adoption of the merger agreement and the merger, deliver to Western Wireless before the annual meeting a written notice of dissent and otherwise comply with the requirements of Washington law, you will be entitled to assert dissenters rights. A copy of Chapter 23B.13 of the Washington Business Corporation Act, which sets forth the requirements for perfecting dissenters rights, is attached as Annex D to this proxy statement/ prospectus. If you hold your shares in the name of another person, such as a broker or nominee, you must act promptly to cause the record holder to follow the steps identified properly and in a timely manner (or, alternatively, submit the record holder s written consent to your dissent prior to or at the time you submit your notice of dissent) to perfect dissenters rights. See Dissenters Rights beginning on page .

If any Western Wireless shareholder who demands dissenters rights under Washington law withdraws and does not duly reassert the right to dissent prior to the annual meeting or loses (through failure to perfect or otherwise) the right to dissent, then such shareholder s shares will no longer be dissenting shares and will automatically be converted into the right to receive $9.25 in cash and 0.535 shares of ALLTEL common stock for each of his or her shares of Western Wireless common stock.

Q: What are the material United States federal income tax consequences of the merger to me?

A: The transaction is intended to be tax-free for United States federal income tax purposes, except with respect to any cash received by Western Wireless shareholders. See The Merger Material United States Federal Income Tax Consequences of the Merger beginning on page .

Q: When do you expect the merger to be completed?

A: We expect to complete the merger promptly after Western Wireless shareholders approve and adopt the merger agreement and the merger at the annual meeting and after the satisfaction or waiver of all other conditions to the merger, including the receipt of all regulatory approvals that are required to be obtained pursuant to the merger agreement. We currently expect this to occur mid-year 2005.

Q: When must I elect the type of the merger consideration that I prefer to receive?

A: If you are a holder of Western Wireless common stock and wish to elect the type of merger consideration you prefer to receive in the merger, you should carefully review and follow the instructions set forth in the form of election provided to Western Wireless shareholders together with this proxy statement/ prospectus. These instructions require that a properly completed and signed form of election be received by the exchange agent by the election deadline, which we will announce before the expected completion of the merger. If you do not submit a properly completed and signed form of election to the exchange agent by the election deadline, then you will be deemed to have elected to receive $9.25 cash and 0.535 shares of ALLTEL common stock in exchange for each of your shares of Western Wireless common stock.

Q: Should I send in my stock certificates with my proxy card?

A: No. Please DO NOT send your stock certificates with your proxy card. Rather, prior to the election deadline, you should send your Western Wireless common stock certificates to the exchange agent, together with your completed, signed form of election. If your shares are held in street name, you should follow your broker s or banker s instructions for making an election with respect to your shares.

Q: Can I change my election after I submit an election form?

A: You may revoke your election of merger consideration with respect to all or a portion of the shares of Western Wireless common stock subject thereto by delivering written notice thereof to the exchange agent prior to the election deadline. If you instructed a broker to submit an election for your shares, you must follow your broker s directions for changing those instructions. In addition, any election of merger consideration you make will automatically be revoked if the merger agreement is terminated.

If an election is properly revoked with respect to shares of Western Wireless common stock represented by stock certificates, the certificates representing such shares will be promptly returned to the holder that submitted them to the exchange agent.

Q: Who can help answer my questions?

A: If you have any questions about the merger or if you need additional copies of this proxy statement/ prospectus or the enclosed proxy card you should contact:

Q: Where can I find more information about Western Wireless and ALLTEL?

A: You can find more information about Western Wireless and ALLTEL from various sources described under the heading Where You Can Find More Information on page .

The Annual Meeting

Q: What matters will we vote on at the annual meeting?

A: You will vote on the following proposals:

to approve and adopt the merger agreement and the merger;

to elect nine directors to serve until the next annual meeting of shareholders and until their successors are elected and qualified or until the consummation of the merger;

to ratify the selection of PricewaterhouseCoopers LLP as our independent registered public accounting firm for 2005;

to approve the Western Wireless Corporation 2005 Long-Term Equity Incentive Plan;

to adjourn or postpone the annual meeting, if necessary, to solicit additional proxies for the approval and adoption of the merger agreement and the merger; and

to transact such other business as may properly come before the annual meeting.

Q: What is the required vote to approve and adopt the merger agreement and the merger?

A: The merger agreement and the merger must be approved and adopted by the holders of shares of Western Wireless Class A and Class B common stock outstanding as of the record date, voting together as a single class, representing at least two-thirds of all the votes entitled to be cast by such holders. Abstentions from voting and broker non-votes (shares held by a broker or nominee as to which a broker or nominee indicates on the proxy that it does not have the authority, either express or discretionary, to vote on a particular matter), since they are not affirmative votes, will have the same practical effect as a vote against the proposal to approve and adopt the merger agreement and the merger.

You should be aware that shareholders who hold an aggregate of approximately 41% of the aggregate number of votes entitled to be cast on the record date have already agreed with ALLTEL to vote in favor of the approval and adoption of the merger agreement and the merger at the annual meeting of shareholders.

No vote of the shareholders of ALLTEL is required.

Q: What is the required vote for the other matters at the annual meeting?

A: Ratification of the selection of the independent registered public accounting firm, and approval of the Western Wireless Corporation 2005 Long-Term Equity Incentive Plan, require the affirmative vote of holders of shares of Western Wireless Class A and Class B common stock outstanding as of the record date, voting together as a single class, representing a majority of the votes present at the meeting, in person or by proxy. For the election of directors, if a quorum is present, a nominee for election to a position on the board of directors will be elected as a director if the votes cast for the nominee exceed the votes cast against the nominee and exceed the votes cast for any other nominee for that position. For the election of directors, abstentions from voting and broker non-votes (shares held by a broker or nominee as to which a broker or nominee indicates on the proxy that it does not have the authority, either express or discretionary, to vote on a particular matter) will have the legal effect of neither a vote for nor against the nominee. For all other matters, abstentions from voting and broker non-votes, since they are not affirmative votes, will have the same practical effect as a vote against the respective matters.

Q: Who is entitled to vote at the annual meeting?

A: Holders of record of Western Wireless common stock at the close of business on , 2005, which is the date Western Wireless board of directors has fixed as the record date for the annual meeting, are entitled to vote at the annual meeting.

Q: What does the Western Wireless board of directors recommend?

A: The Western Wireless board of directors has unanimously approved the merger agreement and the merger and has also unanimously determined that the merger agreement and the merger are advisable, fair to and in the best interests of Western Wireless and its shareholders. Accordingly, the Western Wireless board unanimously recommends that Western Wireless shareholders vote FOR the approval and adoption of the merger agreement and the merger at the annual meeting.

The Western Wireless board of directors also unanimously recommends that Western Wireless shareholders vote FOR each of the director nominees listed under the heading Election of Directors Information about the Nominees, FOR the ratification of the selection of PricewaterhouseCoopers LLP as Western Wireless independent registered public accounting firm for 2005 and FOR the approval of the Western Wireless Corporation 2005 Long-Term Equity Incentive Plan at the annual meeting.

Q: What do I need to do to vote my shares at the annual meeting?

A: After carefully reading and considering the information included and incorporated by reference in this proxy statement/prospectus, please submit your proxy as soon as possible so that your shares may be voted at the annual meeting. If your shares of Western Wireless common stock are registered in your own name you may submit your proxy by filling out and signing the proxy card, and then mailing your signed proxy card in the enclosed envelope.

If your shares are held in street name, you should follow the directions your broker or bank provides in order to ensure your shares are voted at the annual meeting.

Your proxy card will instruct the persons named on the proxy card to vote your shares at the annual meeting as you direct. If you sign and send in your proxy card and do not indicate how you want to vote, your proxy will be voted FOR the approval and adoption of each of the proposals being considered at the annual meeting, including the merger agreement and the merger.

Q: May I change my vote after I have mailed my signed proxy card?

A: You may change your vote at any time before your proxy is voted at the annual meeting. If your shares of Western Wireless common stock are registered in your own name, you can do this in one of three ways. First, you can deliver to Western Wireless prior to the annual meeting a written notice stating that you want to revoke your proxy. Second, you can complete and deliver to Western Wireless prior to the annual meeting a new proxy card. If you choose either of these two methods, Western Wireless must receive your notice of revocation or your new proxy card prior to the annual meeting at the following address: Western Wireless Corporation, Attn: Investor Relations, 3650 131st Avenue SE, Bellevue, Washington 98006. Third, you can attend the Western Wireless annual meeting and vote in person. Simply attending the meeting, however, will not revoke your proxy, as you must vote at the annual meeting in order to revoke a prior proxy.

If you have instructed a broker or bank to vote your shares, you must follow the directions you received from your broker or bank to change your vote.

SUMMARY

This summary highlights selected information from this proxy statement/ prospectus about the proposed merger. It may not contain all of the information that is important to you. You should read carefully the entire proxy statement/ prospectus and the additional documents referred to in it to fully understand the merger.

The Companies (See Page)

ALLTEL Corporation
One Allied Drive, Little Rock,
Arkansas 72202
(501) 905-8000

ALLTEL is a customer-focused communications company that provides, among other things, wireless and wireline local, long-distance, network access and Internet services

Wigeon Acquisition LLC
One Allied Drive, Little Rock,
Arkansas 72202
(501) 905-8000

Merger Sub was organized solely for the purpose of effecting the merger with Western Wireless.

Western Wireless Corporation
3650 131st Avenue, S.E.,
Suite 400, Bellevue,
Washington 98006
(425) 586-8700

Western Wireless is one of the largest providers of rural wireless communications services in the United States.

Recent Developments

Recent Operating Results

On April 21, 2005, ALLTEL announced its results of operations for the quarter ended March 31, 2005. Total revenues for the quarter were $2.1 billion, representing an 8% increase from the same period in 2004. Net income was $313 million, representing a 65% increase over the same period in 2004. Fully diluted earnings per share for the first quarter of 2005 was $1.03, representing a 69% increase over the prior year period. ALLTEL s net income and earnings per share for the first quarter of 2005 included the effects of a special cash dividend received on ALLTEL s investment in Fidelity National Financial, Inc. common stock of $70 million (after tax), partially offset by an after-tax charge of $12 million related to a change in accounting for operating leases.

Settlement of Equity Unit Purchase Contracts

During 2002, ALLTEL issued and sold 27.7 million equity units in an underwritten public offering. Each equity unit consists of a corporate unit, with a $50 stated amount, and was initially comprised of a purchase contract and $50 principal amount of senior notes. On February 17, 2005, ALLTEL completed the remarketing of approximately $1.385 billion aggregate principal amount of its senior notes underlying the corporate units. The remarketing was required under the terms of the equity units. The primary purpose of the remarketing was to use the proceeds of the remarketed notes to acquire, on behalf of the corporate unit holders under the stock purchase contract component of the corporate units, a portfolio of U.S. Treasury securities that would provide liquidity to satisfy the unit holders obligations to purchase ALLTEL common stock under the purchase contract.

The purchase contract obligates the holder to purchase, and obligates ALLTEL to sell, on May 17, 2005, for $50, a variable number of newly issued common shares of ALLTEL. The number of ALLTEL shares issued will be determined at the time the purchase contracts are settled based upon the then current price of ALLTEL s common stock. If the price of ALLTEL common stock is equal to or less than $49.50, then ALLTEL will deliver 1.0101 shares to the holder of the equity unit. If the price of ALLTEL common stock is greater than $49.50 but less than $60.39, then ALLTEL will deliver a fraction of shares equal to $50 divided by the then current price of its common stock. Finally, if the price of ALLTEL common stock is equal to or greater than $60.39, then ALLTEL will deliver 0.8280 shares to the holder. Accordingly, upon settlement of the purchase contracts on May 17, 2005, ALLTEL will receive proceeds of approximately $1.385 billion and will deliver between 22.9 million and 28.0 million common shares in

the aggregate. The proceeds will be credited to shareholders equity and allocated between the common stock and additional paid-in-capital accounts. ALLTEL will make quarterly contract adjustment payments to the equity unit holders at a rate of 1.50 percent of the stated amount per year until the purchase contract is settled, although ALLTEL has the right to defer these payments until no later than May 17, 2005.

While the settlement of the purchase contracts will provide additional liquidity to ALLTEL, the issuance of ALLTEL common stock in connection therewith will increase the total number of shares of ALLTEL common stock outstanding. Because the settlement of the purchase contracts is not an event that results in an adjustment to the merger consideration to be paid in ALLTEL common stock, Western Wireless shareholders will own a smaller percentage of ALLTEL than they would have owned if the settlement of the purchase contracts were not to occur. Additionally, the market price of ALLTEL s common stock could be negatively impacted by the issuance of the additional shares pursuant to the purchase contracts, which would reduce the value of the ALLTEL common stock you receive as a portion of the merger consideration.

Unless otherwise indicated, all references to shares of ALLTEL common stock issued and outstanding in this proxy statement/ prospectus exclude the shares of ALLTEL common stock that are issuable in the future pursuant to the corporate units, except that references to shares of ALLTEL common stock estimated to be outstanding after the merger include approximately million shares of common stock that we currently estimate will be issued pursuant to the corporate units.

What You Will Be Entitled to Receive Pursuant to the Merger Agreement (See Page)

The basic consideration in the merger is $9.25 in cash and 0.535 shares of ALLTEL common stock for each share of Western Wireless common stock outstanding immediately prior to completion of the merger, and you are entitled to elect to receive this basic mix. Alternatively, you may elect to receive either $40 in cash or 0.7 shares of ALLTEL common stock by making a cash election or a stock election. AS EXPLAINED BELOW, HOWEVER, THE CASH AND STOCK ELECTIONS ARE SUBJECT TO PRORATION TO PRESERVE AN OVERALL MIX OF $9.25 IN CASH AND APPROXIMATELY, BUT NOT LESS THAN, 0.535 SHARES OF ALLTEL COMMON STOCK FOR ALL OF THE OUTSTANDING SHARES OF WESTERN WIRELESS COMMON STOCK TAKEN TOGETHER. AS A RESULT, EVEN IF YOU MAKE THE ALL CASH OR ALL STOCK ELECTION YOU MAY RECEIVE A PRORATED AMOUNT OF CASH AND ALLTEL COMMON STOCK. If you fail to make an election, you will be deemed to have made the mixed election.

Type of Election	Consideration to be Received per Share of Western Wireless Common Stock
Mixed	$9.25 in cash and 0.535 shares of ALLTEL common stock
Stock	0.7 shares of ALLTEL common stock, before proration
Cash	$40 in cash, before proration

Explanation of Proration

The total amount of cash that will be paid and the total number of shares of ALLTEL common stock that will be issued in the merger to holders of Western Wireless common stock outstanding immediately prior to completion of the merger will be the product of $9.25 and between 0.535 and 0.538 shares of ALLTEL common stock, respectively, multiplied by the total number of shares of Western Wireless common stock outstanding immediately prior to completion of the merger. The stock and cash elections are subject to proration to preserve an overall mix of $9.25 in cash and between 0.535 and 0.538 shares of ALLTEL common stock for all of the outstanding shares of Western Wireless common stock taken together. Therefore, unless the number of stock elections is significantly greater than the number of cash elections, Western Wireless shareholders making the cash election will not receive $40 in cash, but instead will receive a mix of cash and stock calculated to preserve the overall cash and stock mix described above, after taking into account all of the elections made by all of the Western Wireless shareholders. In all cases, the cash election will include at least as much cash as the mixed election. The formula that will be used to determine the actual amount of proration is described on page . Similarly, if the number of stock elections is significantly greater than the number of cash elections, Western Wireless shareholders making the stock election will not receive 0.7 shares of ALLTEL common stock, but instead will receive a mix of cash and stock calculated to preserve the overall cash and stock mix described above, after taking into account all of the elections made by all of the Western Wireless shareholders. In all cases, the stock election will include at least as much stock as the mixed election.

Fractional Shares

You will not be entitled to receive any fractional shares of ALLTEL common stock. Instead, you will be entitled to receive cash, without interest, for any fractional share of ALLTEL common stock you might otherwise have been entitled to receive, based on the closing price of the ALLTEL common stock on the date the merger occurs.

In Order to Make an Election, You Must Properly Complete and Deliver the Form of Election and Your Western Wireless Common Stock Certificates (See Page)

You are receiving together with this proxy statement/ prospectus a form of election with instructions for making your merger consideration election. You must properly complete and deliver to the exchange agent your form of election along with your stock certificates (or a properly completed notice of guaranteed delivery). Do not send your stock certificates or form of election with your proxy card. Once you deliver your stock certificates to the exchange agent, you may not transfer your Western Wireless shares, unless you revoke your election by written notice to the exchange agent that is received prior to the election deadline.

Forms of election must be received by the exchange agent by the election deadline, which we will announce before the expected completion of the merger. If you fail to submit a properly completed form of election prior to the election deadline, you will be deemed to have made the mixed election to receive $9.25 cash and 0.535 shares of ALLTEL common stock in exchange for each of your shares of Western Wireless common stock.

Generally, you may revoke or change your election, but only by submitting written notice that is received by the exchange agent prior to the election deadline. If you properly revoke your election, or the merger agreement is terminated, and you have transmitted certificates to the exchange agent, the exchange agent will promptly return those certificates to you. You will not be entitled to revoke or change your election following the election deadline. As a result, if you make an election you will be unable to revoke your election or sell your shares of Western Wireless common stock during the interval between the election deadline and the date of completion of the merger.

If you own shares of Western Wireless common stock in street name through a bank, broker or other financial institution and you wish to make an election, you should seek instructions from the financial institution holding your shares concerning how to make your election.

The Annual Meeting (See Page)

The Western Wireless annual meeting will take place at , on , 2005, at a.m. (Pacific Time). At the annual meeting, the holders of Western Wireless common stock will be asked to approve and adopt the merger agreement and the merger. The holders of Western Wireless common stock will also be asked to elect nine directors to serve until the next annual meeting of shareholders and until their successors are elected and qualified or until the consummation of the merger, ratify the selection of PricewaterhouseCoopers LLP as Western Wireless independent registered public accounting firm for 2005 and approve the Western Wireless Corporation 2005 Long-Term Equity Incentive Plan. The close of business on , 2005 is the record date for determining if you are entitled to vote at the annual meeting. On that date, there were shares of Western Wireless Class A common stock outstanding and shares of Western Wireless Class B common stock outstanding. Each share of Western Wireless Class A common stock is entitled to one vote at the annual meeting and each share of Western Wireless Class B common stock is entitled to ten votes at the annual meeting. The affirmative vote of holders of shares of Western Wireless Class A and Class B common stock outstanding as of the record date, voting together as a single class, representing at least two-thirds of all the votes entitled to be cast by such holders, is required to approve and adopt the merger agreement and the merger. Ratification of the selection of the independent registered public accounting firm, and approval of the Western Wireless Corporation 2005 Long-Term Equity Incentive Plan, require the affirmative vote of holders of shares of Western Wireless Class A and Class B common stock outstanding as of the record date, voting together as a single class, representing a majority of the votes present at the meeting, in person or by proxy. For the election of directors, if a quorum is present, a nominee for election to a position on the board of directors will be elected as a director if the votes cast for the nominee exceed the votes cast against the nominee and exceed the votes cast for any other nominee for that position. On the record date, directors and executive officers of Western Wireless beneficially owned and had the right to vote shares of Western Wireless Class A common stock and shares of Western Wireless Class B common stock, entitling them to cast approximately % of the number of votes entitled to be cast at the annual meeting.

Certain shareholders that hold an aggregate of approximately 41% of the aggregate number of votes entitled to be cast have agreed with ALLTEL to vote, or cause to be voted, all of their shares of Western Wireless common stock to approve and adopt the merger agreement and the merger. See Voting Agreement.

Recommendation of the Western Wireless Board Regarding the Merger; Western Wireless Reasons for the Merger (See Page)

Western Wireless board of directors has unanimously approved the merger agreement. Western Wireless board has also unanimously determined that the merger agreement and the merger are advisable, fair to and in the best interests of Western Wireless and its shareholders and unanimously recommends that you vote FOR the approval and adoption of the merger agreement and the merger. In reaching its decision, the Western Wireless board considered a number of factors that are described in more detail in The Merger Recommendation of the Western Wireless Board; Western Wireless Reasons for the Merger beginning on page . The Western Wireless board of directors did not assign relative weights to the factors described in that section or the other factors considered by it in reaching its decision. In addition, the Western Wireless board did not reach any specific conclusion on each factor considered, but conducted an overall analysis of all of these factors as a whole.

Opinion of Financial Advisor to Western Wireless (See Page)

Bear, Stearns & Co. Inc. delivered its written opinion, dated January 9, 2005, to Western Wireless board of directors that, subject to the assumptions and conditions contained therein, as of the date thereof, the consideration to be received pursuant to the merger is fair, from a financial point of view, to the shareholders of Western Wireless.

The full text of the written opinion of Bear, Stearns & Co. Inc., dated January 9, 2005, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex C to this proxy statement/ prospectus. You should read the opinion in its entirety. Bear, Stearns & Co. Inc. provided its opinion for the information and assistance of Western Wireless board of directors in connection with the board s consideration of the transaction contemplated by the merger agreement. The Bear, Stearns & Co. Inc. opinion is not a recommendation as to how you should vote with respect to the proposal to approve and adopt the merger agreement and the merger.

ALLTEL s Reasons for the Merger (See Page)

The board of directors of ALLTEL met several times to review the merger and unanimously approved the merger agreement on January 9, 2005 after ALLTEL s senior management discussed with the board of directors the potential benefits and risks of the transaction. As a result of the merger, ALLTEL expects to increase its wireless revenue mix from approximately 60 percent to nearly 70 percent of its total consolidated revenues. The merger will also permit ALLTEL to increase its retail position in Western Wireless rural markets where it can bring significant value to customers by offering competitive national rate plans. In addition, ALLTEL will diversify its wireless roaming revenue sources and become a leading independent roaming partner for the four national carriers in the markets served by ALLTEL. For a discussion of additional reasons of ALLTEL for the merger see The Merger ALLTEL s Reasons for the Merger beginning on Page .

Interests of Certain Persons in the Merger (See Page)

Some of Western Wireless directors and executive officers may have interests in the merger that are different from, or in addition to, the interests of Western Wireless shareholders generally. The Western Wireless board of directors was aware of these interests and considered them in approving the merger agreement and the merger. These interests include the requirement of ALLTEL to honor Western Wireless severance program in which executive officers participate, the establishment of a $20 million retention pool in which executive officers will be eligible to receive a cash retention bonus in certain circumstances, ALLTEL s agreement to appoint John W. Stanton to ALLTEL s board of directors following the merger, the acceleration of certain stock option awards in connection with the merger and rights of directors and executive officers to continued indemnification and insurance coverage by ALLTEL after the merger for acts or omissions occurring prior to the merger.

Conditions to the Merger (See Page)

The obligations of each party to complete the merger are conditioned upon the other party s representations and warranties being true and correct, subject to certain materiality and other exceptions, and the other party having complied in all material respects with such party s covenants. In addition, among other things, ALLTEL s and Western Wireless obligations are conditioned on:

- the approval and adoption of the merger agreement and the merger by Western Wireless shareholders;
- the absence of any statute, rule, regulation, executive order, decree, ruling or injunction prohibiting the consummation of the merger;
- the continuing effectiveness of the registration statement of which this proxy statement/ prospectus forms a part;
- the approval of the shares of ALLTEL common stock to be issued in connection with the merger for listing on the New York Stock Exchange;
- the termination or expiration of the applicable waiting periods pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended;
- the obtaining of any other regulatory approvals of Western Wireless or ALLTEL required to be obtained for the consummation of the merger, other than regulatory approvals the failure to obtain which would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Western Wireless or ALLTEL;
- the obtaining of all necessary Federal Communications Commission approvals and consents other than any such consents the failure to obtain which would not reasonably be expected to have a material adverse effect on Western Wireless or ALLTEL, on terms that would not, subject to certain exceptions described under the heading The Merger Agreement Covenants Filings; Other Actions , require ALLTEL to divest itself of any businesses, assets or product lines; and

- the receipt by each of ALLTEL and Western Wireless, from its respective legal counsel, of an opinion substantially to the effect that the merger will be treated as a reorganization under section 368(a) of the Internal Revenue Code.

In addition, ALLTEL s obligation to complete the merger is also conditioned on the absence, since January 9, 2005, of any event, occurrence, development or state of circumstances or facts that would reasonably be expected to have a material adverse effect on Western Wireless following the date of the merger agreement, except as disclosed to ALLTEL prior to the date of the merger agreement.

Termination (See Page)

The merger agreement may be terminated by the mutual consent of ALLTEL and Western Wireless. Additionally, either ALLTEL or Western Wireless may terminate the merger agreement if:

- the merger is not consummated by August 31, 2005 (which date can be extended by ALLTEL or Western Wireless to November 30, 2005 if, as of August 31, 2005, all conditions to closing other than certain regulatory approvals have been satisfied) through no fault of the party seeking to terminate the merger agreement;

- there are final, non-appealable legal restraints preventing the merger, through no fault of the party seeking to terminate the merger agreement;

- Western Wireless shareholders fail to approve and adopt the merger agreement and the merger at the annual meeting, except that Western Wireless will not be permitted to terminate the merger agreement because of the failure to obtain such shareholder approval if such failure was caused by (i) Western Wireless actions or inactions that constitute a material breach of the merger agreement or (ii) a breach of the voting agreement by any party thereto other than ALLTEL; or

- the other party has materially breached a representation, warranty, covenant or agreement of that party contained in the merger agreement, resulting in a failure of a condition to the non-breaching party s obligation to effect the merger and such breach cannot be cured by August 31, 2005 (or November 30, 2005, if extended).

Western Wireless must pay ALLTEL a termination fee of $120 million if:

- Western Wireless terminates the merger agreement because the merger has not been completed by August 31, 2005 (or if either party has properly extended the termination date under the merger agreement, by November 30, 2005), which failure to complete was not proximately caused by ALLTEL s breach in any material respect of its obligations under the merger agreement, or either Western Wireless or ALLTEL terminates the merger agreement because the Western Wireless shareholders fail to approve and adopt the merger and the merger agreement at the annual meeting, and

- prior to the termination of the merger agreement, a Company Alternative Proposal (defined as any bona fide proposal or offer made by any person, prior to the approval of the merger by Western Wireless shareholders, for the (i) acquisition of Western Wireless by a merger or business combination transaction or for a merger of equals with Western Wireless, (ii) acquisition of more than 20% of the assets of Western Wireless and its subsidiaries, taken as a whole, or (iii) acquisition of more than 20% of the common stock of Western Wireless) shall have been commenced, publicly proposed or publicly disclosed prior to, and in each case, not withdrawn at the time of, the annual meeting, and

- Western Wireless enters into an agreement regarding the acquisition of Western Wireless by merger or business combination, or a merger of equals, or the acquisition of 40% or more of its assets or shares of common stock with the third party making such Company Alternative Proposal within nine months after the termination or Western Wireless enters into an agreement regarding the acquisition of Western Wireless by merger or business combination, or a merger of equals, or the

acquisition of 40% or more of its assets or shares of common stock with any other party within six months after the termination.

Material United States Federal Income Tax Consequences (See Page)

The United States federal income tax consequences of the merger to a holder of Western Wireless common stock will generally depend on the form of consideration the holder receives in the merger:

if the holder receives only shares of ALLTEL common stock, it will generally not recognize gain or loss;

if the holder receives both shares of ALLTEL common stock and cash, it will generally not recognize any loss and will generally recognize gain in an amount not exceeding the amount of cash received; and

if the holder receives only cash, it will generally recognize gain or loss.

Comparison of Rights of ALLTEL Shareholders and Western Wireless Shareholders (See Page)

After the merger, Western Wireless shareholders (other than shareholders who properly exercise their dissenters rights or who make valid cash elections that do not become subject to proration) will become ALLTEL shareholders and their rights as shareholders will be governed by the certificate of incorporation and by-laws of ALLTEL and the general corporation law of the State of Delaware. There are a number of differences between the certificate of incorporation and by-laws of ALLTEL, the articles of incorporation and by-laws of Western Wireless and the general corporation law of the State of Delaware and the business corporation act of the State of Washington. These differences are summarized under the heading Comparison of Rights of ALLTEL and Western Wireless Shareholders.

Comparative Market Price Information (See Page)

ALLTEL common stock is listed on the New York Stock Exchange and the Pacific Stock Exchange under the trading symbol AT. Western Wireless Class A common stock is listed on the Nasdaq Stock Market under the trading symbol WWCA. On January 7, 2005, the last full trading day prior to the public announcement of the execution of the merger agreement, the closing price of Western Wireless Class A common stock was $36.52 per share and the closing price of ALLTEL common stock was $56.12 per share. On , 2005, the most recent practicable date prior to the printing of this proxy statement/ prospectus, the closing price of Western Wireless Class A common stock was $ per share and the closing price of ALLTEL common stock was $ per share. We urge you to obtain current market quotations.

Listing and Trading of ALLTEL Common Stock (See Page)

Shares of ALLTEL common stock received by Western Wireless shareholders pursuant to the merger will be listed on the New York Stock Exchange.

After completion of the merger, shares of ALLTEL common stock will continue to be traded on the New York Stock Exchange, but shares of Western Wireless common stock will no longer be listed or traded.

Regulatory Approvals (See Page)

A condition to the obligation of ALLTEL and Western Wireless to complete the merger is that the requisite Federal Communications Commission (FCC) consents be granted regarding the transfer of control to ALLTEL of the FCC licenses and authorizations held by Western Wireless. On January 24, 2005, Western Wireless and ALLTEL jointly filed FCC applications, seeking the requisite FCC approvals.

In addition, Western Wireless and ALLTEL must make certain filings and registrations with, and seek, consents, permits, authorizations and approvals from, state or foreign governmental entities, including, without limitation, such entities regulating competition and telecommunications businesses.

As a condition to the merger, The Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the HSR Act), requires Western Wireless and ALLTEL to observe the HSR Act s notification and waiting periods. Western Wireless and ALLTEL each filed notification and report forms with the U.S. Department of Justice (DOJ) and the Federal Trade Commission (FTC) on January 24, 2005. On February 23, 2005, Western Wireless and ALLTEL each received an additional request for information and documentary materials (a Second Request) from the DOJ. The HSR Act provides that the transaction may not close during a waiting period of 30 calendar days following certification by Western Wireless and ALLTEL that they have substantially complied with the Second Request.

Litigation Regarding the Merger (See Page)

A purported class action has been filed against Western Wireless, ALLTEL and Western Wireless directors, alleging, among other things, that the directors of Western Wireless breached their fiduciary duties in approving the merger. The complaint seeks various forms of relief, including, without limitation, injunctive relief decreeing that the merger agreement is unlawful and unenforceable. Western Wireless and ALLTEL believe the allegations of the complaint are without merit.

Dissenters Rights (See Page)

Under applicable Washington law, you have the right to dissent from the merger and to receive payment in cash for the appraised value of your shares of Western Wireless common stock. The appraised value of the shares of Western Wireless common stock may be more than, less than or equal to the value of the merger consideration. Each Western Wireless shareholder seeking to preserve statutory dissenters rights must:

- deliver to Western Wireless, before the vote is taken at the Western Wireless annual meeting regarding the merger agreement and the merger, written notice of such shareholder s intent to demand payment for such shareholder s Western Wireless common stock if the merger becomes effective;

- not vote such shareholder s shares of Western Wireless common stock in person or by proxy in favor of the proposal to approve and adopt the merger agreement; and

- follow the statutory procedures for perfecting dissenters rights under Washington law, which are described in the section of this proxy statement/ prospectus entitled Dissenters Rights.

Chapter 23B.13 of the Washington Business Corporation Act is reprinted in its entirety and attached as Annex D to this proxy statement/ prospectus. Failure by a Western Wireless shareholder to comply precisely with all procedures required by Washington law may result in the loss of dissenters rights for that shareholder.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF ALLTEL

The summary below sets forth selected historical consolidated financial data for ALLTEL. This data should be read in conjunction with ALLTEL s audited consolidated historical financial statements and related notes included in ALLTEL s Annual Report on Form 10-K for the year ended December 31, 2004. See Where You Can Find More Information.

	Year Ended December 31,				
(Millions, except per share data)	**2004**	**2003**	**2002**	**2001**	**2000**
Revenues and sales	$ 8,246.1	$ 7,979.9	$ 7,112.4	$ 6,615.8	$ 6,308.9
Operating expenses	6,273.6	6,062.9	5,322.8	4,990.8	4,757.4
Restructuring and other charges	50.9	19.0	69.9	76.3	15.3
Total costs and expenses	6,324.5	6,081.9	5,392.7	5,067.1	4,772.7
Operating income	1,921.6	1,898.0	1,719.7	1,548.7	1,536.2
Non-operating income (expense), net	22.9	(3.2)	(5.3)	(14.1)	27.6
Interest expense	(352.5)	(378.6)	(355.1)	(261.2)	(284.3)
Gain on disposal of assets, write-down of investments and other		17.9	1.0	357.6	1,928.5
Income from continuing operations before income taxes	1,592.0	1,534.1	1,360.3	1,631.0	3,208.0
Income taxes	565.3	580.6	510.2	653.0	1,325.3
Income from continuing operations	1,026.7	953.5	850.1	978.0	1,882.7
Discontinued operations, net of tax	19.5	361.0	74.2	69.5	82.7
Income before cumulative effect of accounting change	1,046.2	1,314.5	924.3	1,047.5	1,965.4
Cumulative effect of accounting change, net of tax		15.6		19.5	(36.6)
Net income	1,046.2	1,330.1	924.3	1,067.0	1,928.8
Preferred dividends	0.1	0.1	0.1	0.1	0.1
Net income applicable to common shares	$ 1,046.1	$ 1,330.0	$ 924.2	$ 1,066.9	$ 1,928.7
Basic earnings per share:					
Income from continuing operations	$ 3.34	$ 3.06	$ 2.73	$ 3.14	$ 5.99
Income from discontinued operations	.06	1.16	.24	.22	.26
Cumulative effect of accounting change		.05		.06	(.12)
Net income	$ 3.40	$ 4.27	$ 2.97	$ 3.42	$ 6.13

Diluted earnings per share:					
Income from continuing operations	$ 3.33	$ 3.05	$ 2.72	$ 3.12	$ 5.94
Income from discontinued operations	.06	1.15	.24	.22	.26
Cumulative effect of accounting change		.05		.06	(.12)
Net income	$ 3.39	$ 4.25	$ 2.96	$ 3.40	$ 6.08
Dividends per common share	$ 1.49	$ 1.42	$ 1.37	$ 1.33	$ 1.29
Weighted average common shares:					
Basic	307.3	311.8	311.0	311.4	314.4
Diluted	308.4	312.8	312.3	313.5	317.2

	Year Ended December 31,				
(Millions, except per share data)	2004	2003	2002	2001	2000
Balance sheet data:					
Total assets	$ 16,603.7	$ 16,661.1	$ 16,244.6	$ 12,500.7	$ 12,087.2
Total shareholders equity	$ 7,128.7	$ 7,022.2	$ 5,998.1	$ 5,565.8	$ 5,095.4
Total redeemable preferred stock and long-term debt (including current maturities)	$ 5,578.3	$ 5,859.4	$ 6,641.1	$ 3,913.0	$ 4,673.3
Cash flows provided by (used in):					
Operating activities	$ 2,466.8	$ 2,474.7	$ 2,392.2	$ 1,882.1	$ 1,429.0
Investing activities	$ (1,258.4)	$ (1,265.9)	$ (4,494.6)	$ (427.0)	$ (1,158.1)
Financing activities	$ (1,381.2)	$ (1,218.2)	$ 2,079.5	$ (1,479.5)	$ (182.1)

<u>Notes to Selected Financial Information:</u>

A. On April 1, 2003, ALLTEL completed the sale of the financial services division of its information services subsidiary, ALLTEL Information Services, Inc., to Fidelity National Financial Inc. (Fidelity National), for $1.05 billion, received as $775.0 million in cash and $275.0 million in Fidelity National common stock. As part of this transaction, Fidelity National acquired ALLTEL s mortgage servicing, retail and wholesale banking and commercial lending operations, as well as the community/regional bank division. In January 2003, ALLTEL completed the termination of its business venture with Bradford & Bingley Group. The business venture, ALLTEL Mortgage Solutions, Ltd., a majority-owned consolidated subsidiary of ALLTEL, was created in 2000 to provide mortgage administration and information technology products in the United Kingdom. As a result of these transactions, the financial services division and the operations of ALLTEL Mortgage Solutions, Ltd. have been reflected as discontinued operations for all periods presented. Accordingly, consolidated cash flow information presented above for the year ended December 31, 2000 differs from the amounts reported in ALLTEL s Annual Reports on Form 10-K for each of the three years ended December 31, 2002 through December 31, 2000.

B. Net income for 2004 included pretax charges of $28.4 million related to a planned workforce reduction and the exit of ALLTEL s competitive local exchange carrier operations in the Jacksonville, Florida market. In addition, ALLTEL recorded a $2.3 million reduction in the liabilities associated with various restructuring activities initiated prior to 2003. ALLTEL also recorded a write-down in the carrying value of certain corporate and regional facilities to fair value in conjunction with the proposed leasing or sale of those facilities of $24.8 million. These transactions decreased net income $31.1 million or $.10 per share. Net income for 2004 also reflected a reduction in income tax expense associated with continuing operations of $19.7 million, or $.06 per share, resulting from ALLTEL s adjustment of its income tax contingency reserves to reflect the results of audits of ALLTEL s consolidated federal income tax returns for the fiscal years 1997 through 2001.

C. Net income for 2003 included pretax charges of $8.5 million primarily related to the closing of certain call center locations and the write-off of $13.2 million of certain capitalized software development costs with no alternative future use or functionality. ALLTEL also recorded a $2.7 million reduction in the liabilities associated with various restructuring activities initiated prior to 2003 to reflect differences between estimated and actual costs paid in completing the previous planned restructuring activities. These transactions decreased net income $11.5 million or $.04 per share. Net income for 2003 also included a pretax gain of $31.0 million realized from the sale of certain assets of the telecommunications information services operations, partially offset by pretax write-downs totaling $6.0 million to reflect other-than-temporary declines in the fair value of certain investments in unconsolidated limited partnerships. In addition, ALLTEL incurred pretax termination fees of $7.1 million related to the early retirement of long-term debt. These transactions increased net income $10.7 million or $.04 per share. Effective January 1, 2003, ALLTEL adopted SFAS No. 143 in accounting for asset retirement obligations. The cumulative effect of this accounting change resulted in a one time non-cash credit of $15.6 million, net of income tax expense of $10.3 million, or $.05 per share.

D. Net income for 2002 included pretax charges of $34.0 million incurred in connection with restructuring ALLTEL s competitive local exchange carrier, call center and retail store operations and with the closing of seven product distribution centers. ALLTEL also incurred integration expenses of $28.8 million related to its acquisitions of wireline properties from Verizon Communications, Inc. and wireless properties from CenturyTel, Inc. ALLTEL also recorded write-downs in the carrying value of certain cell site equipment of $7.1 million. These charges decreased net income $42.3 million or $.14 per share. Net income for 2002 included a pretax gain of $22.1 million realized from the sale of a wireless property, partially offset by pretax write-downs of $16.3 million related to investments in marketable securities. ALLTEL also recorded a pretax adjustment of $4.8 million to reduce the gain recognized from the dissolution of a wireless partnership that was initially recorded in 2001. These transactions increased net income $0.6 million or less than $.01 per share.

E. Net income for 2001 included pretax gains of $347.8 million from the sale of PCS licenses, a pretax gain of $9.5 million from the dissolution of a wireless partnership and a pretax gain of $3.2 million from the sale of certain investments. Net income also included pretax termination fees of $2.9 million incurred due to the early retirement of debt. These transactions increased net income $212.7 million or $.68 per share. Net income also included pretax charges of $61.2 million incurred in connection with the restructuring of ALLTEL s regional communications, product distribution and corporate operations. ALLTEL also recorded write-downs in the carrying value of certain cell site equipment totaling $15.1 million. These charges decreased net income $45.3 million or $.14 per share. Effective January 1, 2001, ALLTEL changed its method of accounting for a subsidiary s pension plan to conform to ALLTEL s primary pension plan. The cumulative effect of this accounting change resulted in a non-cash credit of $19.5 million, net of income tax expense of $13.0 million, or $.06 per share.

F. Net income for 2000 included pretax gains of $1,345.5 million from the exchange of wireless properties with Bell Atlantic Corporation and GTE Corporation, pretax gains of $36.0 million from the sale of certain PCS assets and pretax gains of $562.0 million from the sale of investments, principally consisting of WorldCom, Inc. common stock. Net income also included a pretax write-down of $15.0 million in ALLTEL s investment in an Internet access service provider. These transactions increased net income $1,124.3 million or $3.58 per share. Net income also included integration costs and other charges of $15.3 million primarily incurred in connection with the acquisition of wireless assets. ALLTEL also incurred a pretax charge of $11.5 million in connection with a litigation settlement. These charges decreased net income $16.1 million or $.05 per share. Effective January 1, 2000, ALLTEL changed its method of recognizing wireless access revenues and certain customer activation fees. The cumulative effect of this accounting change resulted in a non-cash charge of $36.6 million, net of income tax benefit of $23.3 million or $.12 per share.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA OF WESTERN WIRELESS

The summary below sets forth selected historical consolidated financial data for Western Wireless. This data should be read in conjunction with Western Wireless audited consolidated historical financial statements and related notes included in Western Wireless Annual Report on Form 10-K for the year ended December 31, 2004. See Where You Can Find More Information.

	For the Years Ended December 31,				
	2004	**2003**	**2002(1)**	**2001(1)**	**2000**
(Millions, except per share data)					**(Unaudited)**
Consolidated statements of operations data:					
Revenues	$ 1,917.7	$ 1,503.7	$ 1,186.6	$ 1,038.0	$ 835.0
Operating expenses	(1,609.3)	(1,343.4)	(1,135.2)	(1,016.8)	(666.1)
Other expenses	(155.1)	(128.0)	(151.7)	(176.3)	(105.5)
Minority interests in net (income) loss of consolidated subsidiaries	(11.5)	4.6	8.1	17.8	2.1
Income (loss) from continuing operations before provision for income taxes and cumulative change in accounting principle	141.8	36.9	(92.2)	(137.3)	65.5
Benefit (provision) for income taxes	91.1	(37.4)	(121.2)		
Income (loss) from continuing operations before cumulative change in accounting principle	232.9	(0.5)	(213.4)	(137.3)	65.5
Total discontinued operations			29.6	(5.9)	
Cumulative change in accounting principle		(2.2)		(5.6)	
Net income (loss)	$ 232.9	$ (2.7)	$ (183.8)	$ (148.8)	$ 65.5
Basic income (loss) per share:					
Continuing operations before cumulative change in accounting principle	$ 2.46	$ (.01)	$ (2.71)	$ (1.74)	$ .84
Discontinued operations			.38	(.08)	
Cumulative change in accounting principle		(.02)		(.07)	
Basic income (loss) per share	$ 2.46	$ (.03)	$ (2.33)	$ (1.89)	$ .84
Diluted income (loss) per share:					
Continuing operations before cumulative change in accounting principle	$ 2.27	$ (.01)	$ (2.71)	$ (1.74)	$ .81
Discontinued operations			.38	(.08)	

Cumulative change in accounting principle		(.02)		(.07)	
Diluted income (loss) per share	$ 2.27	$ (.03)	$ (2.33)	$ (1.89)	$ .81
Consolidated balance sheets data:					
Total assets	$ 3,118.8	$ 2,539.1	$ 2,421.5	$ 2,400.3	$ 2,018.7
Total long-term debt, net of current portion	$ 2,013.2	$ 2,172.9	$ 2,317.1	$ 2,215.6	$ 1,926.4
Total shareholders equity (deficit)	$ 264.0	$ (230.8)	$ (476.4)	$ (293.1)	$ (138.7)
Consolidated cash flows provided by (used in):					
Operating activities	$ 478.3	$ 317.8	$ 155.0	$ 80.8	$ 167.0
Investing activities	$ (532.2)	$ (179.3)	$ (308.5)	$ (440.7)	$ (644.3)
Financing activities	$ 193.6	$ (98.4)	$ 162.8	$ 382.0	$ 468.7
Weighted average common shares (thousands):					
Basic	94,665	81,248	78,955	78,625	77,899
Diluted	103,932	81,248	78,955	78,625	80,303

(1) Certain amounts in 2002 and 2001 consolidated financial data have been reclassified to properly reflect the discontinued operations of TAL, our Icelandic subsidiary.

SELECTED UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL DATA

The summary below sets forth selected unaudited historical pro forma financial data for ALLTEL after giving effect to the merger for the period indicated. The unaudited historical pro forma data presented below for the year ended December 31, 2004 combines selected audited historical financial data of ALLTEL and Western Wireless for the fiscal year ended December 31, 2004. The following table should be read together with the consolidated financial statements and accompanying notes of ALLTEL and of Western Wireless included in the documents described under Where You Can Find More Information and the unaudited pro forma condensed combined financial statements and accompanying discussion and notes set forth under the heading Unaudited Pro Forma Condensed Combined Financial Information included herein. The pro forma amounts in the table below are presented for illustrative purposes only and do not indicate what the financial position or the results of operations of ALLTEL would have been had the merger occurred as of the date or for the period presented. The pro forma amounts also do not indicate what the financial position or future results of operations of ALLTEL will be. No adjustment has been included in the pro forma amounts for any anticipated cost savings or other synergies. See Unaudited Pro Forma Condensed Combined Financial Information.

	For the Year Ended or as of December 31, 2004 (Millions, except per share data)	
Revenue and sales	$	10,151.0
Operating income	$	2,054.8
Net income from continuing operations	$	1,191.6
Basic earnings per share from continuing operations	$	3.09
Diluted earnings per share from continuing operations	$	3.04
Weighted average common shares outstanding:		
Basic		385.3
Diluted		393.2
Dividends per common share	$	1.49
Total assets	$	23,062.0
Total shareholders equity	$	11,632.8
Total redeemable preferred stock and long-term debt (including current maturities and short-term debt)	$	6,943.7
Book value per common share	$	30.59

COMPARATIVE HISTORICAL AND PRO FORMA PER SHARE DATA

The summary below sets forth certain audited historical per share information for ALLTEL and Western Wireless and unaudited pro forma information as if ALLTEL and Western Wireless had been combined for the period shown (pro forma combined). The unaudited pro forma combined per share data presented below for the year ended December 31, 2004 combines certain audited per share financial data of ALLTEL and Western Wireless for fiscal year ended December 31, 2004. No cash dividends have ever been paid on the Western Wireless common stock. The historical data is derived from, and should be read in conjunction with, the consolidated historical financial statements and related notes included in each of ALLTEL s Annual Report on Form 10-K for the year ended December 31, 2004 and Western Wireless Annual Report on Form 10-K for the year ended December 31, 2004. See Where You Can Find More Information. The pro forma amounts in the table below are presented for illustrative purposes only and do not indicate what the financial position or the results of operations of ALLTEL would have been had the merger occurred as of the date or for the period presented. The pro forma amounts also do not indicate what the financial position or future results of operations of ALLTEL will be. No adjustment has been included in the pro forma amounts for any anticipated cost savings or other synergies.

ALLTEL

	For the Year Ended or as of December 31, 2004
ALLTEL Historical	
Basic earnings per common share from continuing operations	$ 3.34
Diluted earnings per common share from continuing operations	$ 3.33
Book value per share	$23.58
Cash dividends declared per share	$ 1.49

WESTERN WIRELESS

	For the Year Ended or as of December 31, 2004	
Western Wireless Historical		
Basic earnings per common share	$	2.46
Diluted earnings per common share	$	2.27
Book value per share	$	2.64
Cash dividends per share		

ALLTEL AND WESTERN WIRELESS

	For the Year Ended or as of December 31, 2004	
Pro Forma Combined		
Basic earnings per common share from continuing operations	$	3.09
Diluted earnings per common share from continuing operations	$	3.04

Book value per share	$	30.59
Cash dividends declared per share	$	1.49
Western Wireless Pro Forma Per Share Equivalents(a)(b)		
Basic earnings per common share from continuing operations	$	1.66
Diluted earnings per common share from continuing operations	$	1.63
Book value per share	$	16.41
Cash dividends per share	$	.80

(a) The Western Wireless pro forma per share equivalent amounts are calculated by multiplying the pro forma combined per common share amounts by a fraction equal to 0.53656. The actual number of shares of ALLTEL common stock to be issued in the merger will equal a fraction ranging from 0.535 to 0.538 multiplied by all of the outstanding shares of Western Wireless common stock taken together. See The Merger Agreement Merger Consideration. Western Wireless shareholders receiving ALLTEL common stock as part of the foregoing exchange ratio will also be entitled to receive $9.25 per share in cash in exchange for their Western Wireless shares.

(b) Solely for illustrative purposes, the Western Wireless pro forma per share equivalent amounts that would result from multiplying the pro forma combined per common share amounts by the fraction equal to 0.7 (representing the exchange ratio, before proration, of the stock election), are as follows: Basic earnings per common share from continuing operations of $2.16, diluted earnings per common share from continuing operations of $2.13, book value per share of $21.41, and cash dividends per share of $1.04.

COMPARATIVE STOCK PRICES AND DIVIDENDS

ALLTEL common stock is traded on the New York Stock Exchange (the NYSE) and the Pacific Stock Exchange under the symbol AT. Western Wireless Class A common stock is traded on the Nasdaq Stock Market under the symbol WWCA. The following table sets forth the dividends declared on the ALLTEL common stock and the high and low intra-day sales prices per share for the ALLTEL common stock and the Western Wireless Class A common stock, each as reported on the NYSE Composite Transactions Tape and the Nasdaq Stock Market, respectively, for the periods indicated. No cash dividends have ever been paid on the Western Wireless Class A common stock. There currently is no established public trading market for Western Wireless Class B common stock; however, such shares generally convert automatically into shares of Western Wireless Class A common stock on a share-for-share basis immediately upon any transfer of the Class B common stock.

	ALLTEL Common Stock			Western Wireless Class A Common Stock	
Fiscal Year	**High**	**Low**	**Dividends**	**High**	**Low**
2003					
First Quarter	$ 56.22	$ 40.68	$ .35	$ 7.91	$ 5.00
Second Quarter	$ 49.68	$ 43.62	$ .35	$ 12.50	$ 4.55
Third Quarter	$ 50.31	$ 44.51	$ .35	$ 21.08	$ 11.13
Fourth Quarter	$ 49.98	$ 43.75	$ .37	$ 21.20	$ 16.69
2004					
First Quarter	$ 53.28	$ 46.65	$ .37	$ 27.40	$ 18.30
Second Quarter	$ 51.95	$ 48.63	$ .37	$ 33.51	$ 20.46
Third Quarter	$ 55.80	$ 49.23	$ .37	$ 29.29	$ 23.75
Fourth Quarter	$ 60.62	$ 53.40	$ .38	$ 29.95	$ 25.89
2005					
First Quarter	$ 59.85	$ 54.20	$ .38	$ 39.63	$ 30.21
Second Quarter (through April 29, 2005)	$ 58.50	$ 54.82	$ .38	$ 39.80	$ 37.96

Set forth below are the last reported sale prices of ALLTEL common stock and Western Wireless Class A common stock on January 7, 2005, the last trading day prior to the execution of the merger agreement, and on April 29, 2005, as reported on the NYSE Composite Transactions Tape and the Nasdaq Stock Market, respectively. The table also presents implied equivalent per share values for Western Wireless Class A common shares by:

multiplying the price per ALLTEL common share on each of the two dates by the stock election exchange ratio of 0.7, assuming no proration; and

multiplying the price per ALLTEL share on each of the two dates by the mixed election exchange ratio of 0.535 and adding $9.25.

	ALLTEL Share Price	Western Wireless Share Price	Implied per Share Value of Stock Election	Implied per Share Value of Mixed Election
January 7, 2005	$ 56.12	$ 36.52	$ 39.28	$ 39.27
April 29, 2005	$ 56.96	$ 39.15	$ 39.87	$ 39.72

You are urged to obtain current market quotations for shares of ALLTEL common stock and Western Wireless Class A common stock before making a decision with respect to the merger.

No assurance can be given as to the market prices of ALLTEL common stock or Western Wireless Class A common stock at the closing of the merger. Because the exchange ratio will not be adjusted for changes in the market price of ALLTEL s common stock, the market value of the shares of ALLTEL common stock that holders of Western Wireless common stock will receive at the effective time may vary significantly from the market value of the shares of ALLTEL common stock that holders of Western Wireless common stock would have received if the merger were consummated on the date of the merger agreement or on the date of this proxy statement/ prospectus.

APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND THE MERGER (PROPOSAL NO. 1)

Introduction

We are asking Western Wireless shareholders to approve and adopt the merger agreement and the merger, pursuant to which Western Wireless will merge with and into Merger Sub, after which Merger Sub will survive the transaction and continue to be a wholly-owned subsidiary of ALLTEL and the separate corporate existence of Western Wireless will cease. In the merger, Western Wireless shareholders may elect to receive for each of their shares of Western Wireless common stock: (1) a combination of $9.25 in cash and 0.535 shares of ALLTEL common stock, (2) $40 in cash, subject to proration, or (3) 0.7 shares of ALLTEL common stock, also subject to proration. The cash and stock elections are subject to proration to preserve an overall mix of $9.25 in cash and approximately, but not less than, 0.535 shares of ALLTEL common stock for all of the outstanding shares of Western Wireless common stock taken together. As a result, even if you make the all cash or all stock election you may receive a prorated amount of cash and ALLTEL common stock. Western Wireless shareholders who fail to make an election will be deemed to have made the mixed election. A discussion of the proration mechanism as well as examples of hypothetical prorations can be found in this proxy statement/ prospectus under the heading The Merger Agreement Merger Consideration.

The Companies

ALLTEL Corporation

ALLTEL is a customer-focused communications company. ALLTEL owns subsidiaries that provide wireless and wireline local, long-distance, network access and Internet services. Telecommunications products are warehoused and sold by ALLTEL s distribution subsidiary. A subsidiary also publishes telephone directories for affiliates and other independent telephone companies. In addition, a subsidiary provides billing, customer care and other data processing and outsourcing services to telecommunications companies. For the year ended December 31, 2004, ALLTEL had $8.2 billion in revenues, $1.9 billion in operating income and $1.0 billion in net income.

As of December 31, 2004, ALLTEL provided wireless communications services to approximately 8.6 million customers in 24 states. At December 31, 2004, ALLTEL s wireless penetration rate (that is, the number of its customers as a percentage of the total population in its service areas) was approximately 13.8%. Wireless revenues and sales comprised 60% of ALLTEL s total operating revenues from business segments in 2004. As a result of ALLTEL s recent acquisition of properties from Cingular Wireless LLC, it currently owns a majority interest in wireless operations in 96 metropolitan statistical areas, or MSAs, covering a population of approximately 43.9 million potential customers, or POPs. ALLTEL also owns a majority interest in wireless operations in 156 rural statistical areas, or RSAs, representing approximately 22.5 million wireless POPs. ALLTEL holds minority interests in operations in 30 other wireless markets, including, without limitation, the Chicago, Illinois and Houston, Texas MSAs.

ALLTEL s wireline operations consist of subsidiaries that are incumbent local exchange carriers, or ILECs, and competitive local exchange carriers, or CLECs. Through these subsidiaries, ALLTEL provides local telephone service to approximately 3.0 million customers primarily located in rural areas in 15 states. Wireline services include basic dial-tone, DSL, or Digital Subscriber Line, Internet and other enhanced services including, without limitation, call waiting, call forwarding, three-way calling and voicemail. ALLTEL s local telephone subsidiaries also offer facilities for private line, high-speed data transmission and other communications services. Wireline revenues, which consist of local service, network access and long-distance and miscellaneous revenues, comprised 29% of ALLTEL s total operating revenues from business segments in 2004.

ALLTEL s communications support services consist of its long-distance and network management services, communications products, directory publishing operations and the retained telecommunications information services operations of ALLTEL Information Services, Inc. that were not sold in 2003. As of

December 31, 2004, ALLTEL provided long-distance service to nearly 1.8 million customers. As of that date, ALLTEL s directory publishing business coordinated advertising, sales, printing and distribution for 395 telephone directory contracts in 37 states. ALLTEL s product distribution business distributes telecommunications equipment and materials. ALLTEL s telecommunications information services operations, or the telecom division, are primarily engaged in the development and marketing of billing services and customer care software to local telephone, wireless and personal communications services, or PCS, companies. Communications support services revenues comprised 11% of ALLTEL s total operating revenues from business segments in 2004.

ALLTEL is incorporated in Delaware. ALLTEL s principal executive offices are located at One Allied Drive, Little Rock, Arkansas 72202, and its telephone number is (501) 905-8000. ALLTEL s website is located at www.alltel.com. Information on ALLTEL s website is not incorporated into this proxy statement/ prospectus.

ALLTEL common stock is listed on the NYSE and the Pacific Stock Exchange under the trading symbol AT.

Wigeon Acquisition LLC

Wigeon Acquisition LLC, a Washington limited liability company and a direct wholly-owned subsidiary of ALLTEL, was organized on January 7, 2005 solely for the purpose of effecting the merger with Western Wireless. It has not carried on any activities other than in connection with the merger agreement. Wigeon Acquisition LLC s principal place of business is located at One Allied Drive, Little Rock, Arkansas 72202, and its telephone number is (501) 905-8000.

Western Wireless Corporation

Western Wireless is one of the largest providers of rural wireless communications services in the United States. Western Wireless domestic wireless operations are primarily in rural areas which it believes provide growth opportunities greater than those that exist in more densely populated urban areas. Western Wireless network covers approximately 25% of the continental United States in 19 western states. Western Wireless operates in 88 rural service areas and 19 metropolitan statistical areas, representing approximately 11.5 million potential customers. As of December 31, 2004, Western Wireless provided wireless services, under the CellularONE® and Western Wireless® brand names, to approximately 1.4 million subscribers in the western United States. For the year ended December 31, 2004, Western Wireless had $1,917.7 million in revenues, $141.8 million in income from continuing operations before provision for income taxes and cumulative change in accounting principle and $232.9 million in net income.

Western Wireless provides voice and data services to both businesses and consumers including its own subscribers and other companies subscribers who roam through its service areas. Western Wireless domestic networks support the four leading technology platforms currently used by the national cellular and PCS carriers. As a result, Western Wireless believes it is well positioned to be the roaming partner of choice for national carriers whose customers roam throughout its service areas. Western Wireless has roaming agreements with most of the major wireless carriers in North America, including Cingular, T-Mobile, Verizon Wireless and Sprint PCS. In addition, Western Wireless believes that its 800 MHz band licenses, utilizing multiple digital and analog technologies, give it superior coverage and efficiency characteristics at these frequencies in rural service areas. Western Wireless has also acquired certain 1900 MHz PCS licenses to supplement its coverage in certain markets.

In addition, through its subsidiary, Western Wireless International, or WWI, Western Wireless is licensed to provide wireless communications services in seven countries, representing approximately over 56 million potential customers. The primary business of WWI is the delivery of mobile telecommunications services in countries outside of the United States, including Austria, Ireland, Slovenia, Bolivia, Haiti, Ghana and Georgia. In certain regions, WWI s operating companies also provide other telecommunications services, including fixed line, wireless local loop, international long distance and mobile data services. As of December 31, 2004, WWI s consolidated subsidiaries served, in aggregate, approximately 1.8 million mobile subscribers. Historically, WWI has focused its investments in regions characterized by inadequate local landline telephone service and areas where local landline telephone service is unavailable to a majority of the population. Western Wireless believes that wireless technology is a more economic means of delivering telephone services in these regions. In addition to investments in underserved regions, WWI has increasingly focused its investments in countries with a more developed telecommunications infrastructure and wireless competition, but where the low entry costs and strong subscriber growth potential provide an attractive investment opportunity. These countries include Austria and Ireland.

Western Wireless was organized in 1994. It is a Washington corporation. Western Wireless principal corporate office is located at 3650 131st Avenue S.E., Bellevue, Washington 98006 and its phone number is (425) 586-8700. Western Wireless website is located at www.wwireless.com. Information on Western Wireless website is not incorporated into this proxy statement/ prospectus.

Western Wireless Class A common stock is listed on the Nasdaq Stock Market under the trading symbol WWCA.

RISK FACTORS

You should consider the following risk factors in evaluating whether to vote in favor of the merger, together with the other information contained in this proxy statement/ prospectus and the annexes to, and documents incorporated by reference in, this proxy statement/ prospectus.

Risks Related to the Merger

The exchange ratio will not be adjusted in the event the value of ALLTEL common stock declines before the merger is completed. As a result, at the time you vote on the merger you will not know the value you will receive for your Western Wireless shares.

The exchange ratio for the portion of the merger consideration to be paid in ALLTEL common stock will not be adjusted in the event the market price of ALLTEL common stock declines. If the market price of ALLTEL common stock declines after you vote, and you receive ALLTEL common stock as a portion of the merger consideration, you will be receiving less value than you expected when you voted. Neither ALLTEL nor Western Wireless is permitted to terminate the merger agreement or resolicit the vote of Western Wireless shareholders because of changes in the market prices of their respective common stocks.

You may not know the exact form of consideration you will receive and might not be able to exchange your Western Wireless common stock in an entirely tax-free transaction.

The consideration to be received by Western Wireless shareholders in the merger is subject to proration to preserve the overall mix of $9.25 in cash and approximately, but not less than, 0.535 shares of ALLTEL common stock for all outstanding shares of Western Wireless common stock. Accordingly, you may not receive the type of consideration you elect to receive in the merger. If you elect to receive all of the merger consideration in cash and the all cash election is oversubscribed, then you will receive a portion of the merger consideration in shares of ALLTEL common stock. Similarly, if you elect to receive all of the merger consideration in shares of ALLTEL common stock and the stock election is oversubscribed, then you will receive a portion of the merger consideration in cash. In addition, because the receipt of cash in the merger may be taxable to a Western Wireless shareholder, you might not be able to exchange your Western Wireless common stock in an entirely tax-free transaction. A discussion of the proration mechanism as well as examples of hypothetical prorations can be found under the heading The Merger Agreement Merger Consideration.

Regulators may impose conditions that could prevent completion of the merger or reduce the anticipated benefits from the merger. As a result, the price of ALLTEL common stock may be adversely affected.

As a condition to ALLTEL s and Western Wireless respective obligations to complete the merger, the approval of various regulatory authorities, including, without limitation, the FCC, the DOJ and the FTC, must be obtained. Any of these regulators could object to the merger and/or impose conditions or restrictions on their approvals that are materially adverse to ALLTEL and the combined company. Depending on their nature and extent, any objections, conditions or restrictions of regulatory authorities may jeopardize or delay completion of the merger or may lessen the anticipated potential benefits of the merger.

Under the terms of the merger agreement, Western Wireless and ALLTEL are obligated to use all reasonable efforts to resolve any such objections to permit the merger. In no event will ALLTEL be required to, nor will Western Wireless be permitted to, agree to any condition imposed by a regulator that would require ALLTEL to divest itself of any businesses, assets or product lines, including any businesses, assets or product lines it acquires from Western Wireless following completion of the merger, except that ALLTEL is required to, and Western Wireless is permitted to, agree to divest spectrum licenses or systems assets of itself or any of its subsidiaries, and agree to the imposition of any limitation upon such licenses, assets or operations, in any service area in which there is a spectrum overlap where at least one of the parties or their respective subsidiaries holds a cellular license in the 850 MHz spectrum band. In connection with the foregoing, subject to the requirements of the relevant regulator in connection with the foregoing, solely as between ALLTEL and Western Wireless, ALLTEL has the right to determine which assets are divested or which licenses become subject to limitation and make all determinations with respect to the terms of any such divestiture or limitation, provided that neither ALLTEL nor Western Wireless, nor any of their respective subsidiaries, shall be required to make any divestiture or agree to any limitation that is not conditioned upon occurrence of the closing of the merger.

ALLTEL may waive its rights and take actions that it is not otherwise required to take in connection with receipt of the necessary regulatory approvals, to proceed with the completion of the merger. If ALLTEL were to proceed with the merger despite the imposition of these conditions or restrictions, ALLTEL s business, operating and financial results and the price of its common stock could be adversely affected.

The merger is subject to certain conditions to closing that could result in the merger being delayed or not completed, which could negatively impact Western Wireless stock price and future business and operations.

Failure to complete the merger could negatively impact Western Wireless stock price and future business and operations. The merger is subject to customary conditions to closing, as set forth in the merger agreement. If any of the conditions to the merger are not satisfied or, if waiver is permissible, not waived, the merger will not be completed. If the merger is not completed for any reason, Western Wireless may be subject to a number of material risks, including the following:

- if the merger agreement is terminated and Western Wireless thereafter enters into an alternative transaction, Western Wireless may be required, in specific circumstances, to pay a termination fee of $120 million;

- the price of Western Wireless common stock may decline to the extent that the current market price of Western Wireless common stock reflects an assumption that the merger will be completed; and

- Western Wireless must pay its expenses related to the merger, including substantial legal, accounting and financial advisory fees, and employee retention bonuses, even if the merger is not completed. This could affect Western Wireless results of operations and potentially its stock price.

Uncertainty about the effect of the merger could adversely affect Western Wireless business. This uncertainty could increase churn, decrease Western Wireless ability to attract new customers and have a negative impact on subscriber growth, revenue, and results of operations. Similarly, current and prospective employees may experience uncertainty about their future role with Western Wireless until ALLTEL s strategies with regard to Western Wireless are announced or executed. This may adversely affect Western Wireless ability to attract and retain key personnel.

Further, if the merger agreement is terminated and Western Wireless board of directors determines to seek another merger or business combination, it may not be able to find a partner willing to pay an equivalent or more attractive price than that which would have been paid in the merger with ALLTEL. See The Merger Agreement beginning on page of this proxy statement/ prospectus for a further description of the terms of the merger agreement, conditions to the merger and termination fee and expenses.

Failure to successfully integrate Western Wireless on a timely basis could reduce ALLTEL s profitability and adversely affect its stock price.

ALLTEL and Western Wireless expect certain benefits to arise from the merger, including, without limitation, revenue and market penetration improvements, and certain operating efficiencies and synergies. See The Merger Western Wireless Reasons for the Merger; ALLTEL s Reasons for the Merger. Achievement of these benefits in the amounts and time periods expected will depend in part upon how and when the businesses of ALLTEL and Western Wireless are integrated. ALLTEL s success in integrating the businesses will involve, among other things, the conversion of network and billing systems, changes in branding and product offerings, and combining ALLTEL s and Western Wireless operations. If ALLTEL is not successful in this integration, its financial results could be adversely impacted. Additionally, integrating Western Wireless business will expose ALLTEL to risks associated with conducting international operations, including, without limitation, increased challenges to maintaining adequate internal controls over geographically dispersed operations, enhanced regulatory risks, exposure to foreign currency fluctuations, and political, social and economic risks associated with foreign countries such as expropriation of assets, natural disasters, and terrorism.

ALLTEL s management may be required to dedicate significant time and effort to this integration process which could divert their attention from other business concerns.

ALLTEL expects to incur significant non-recurring expenses related to the merger.

ALLTEL is developing a plan to integrate the operations of Western Wireless after the merger. In connection with that plan, ALLTEL anticipates that certain non-recurring charges such as branding expenses and billing system conversion costs will be incurred in connection with this integration. ALLTEL cannot identify the timing, nature and amount of all such charges as of the date of this proxy statement/ prospectus. However, any such charge could affect ALLTEL s results of operations in the period in which such charges are recorded.

The price of ALLTEL common stock may be affected by factors different from those affecting the price of Western Wireless common stock.

Holders of Western Wireless common stock will be entitled to receive cash and ALLTEL common stock in the merger and will thus become holders of ALLTEL common stock. ALLTEL s business is different in certain ways from that of Western Wireless, and ALLTEL s results of operations, as well as the price of ALLTEL common stock, may be affected by factors different from those affecting Western Wireless results of operations and the price of Western Wireless common stock. The price of ALLTEL common stock may fluctuate significantly following the merger, including as a result of factors over which ALLTEL has no control. For a discussion of ALLTEL s and Western Wireless businesses and certain factors to consider in connection with such businesses, including Risk Factors for Western Wireless, see ALLTEL s Annual Report on Form 10-K for the fiscal year ended December 31, 2004 and Western Wireless Annual Report on Form 10-K for the fiscal year ended December 31, 2004, which are incorporated by reference in this proxy statement/ prospectus.

If you deliver shares of Western Wireless common stock to make an election, you will not be able to sell those shares unless you revoke your election prior to the election deadline.

If you are a holder of Western Wireless common stock and wish to elect the type of merger consideration you prefer to receive in the merger, you must deliver your stock certificates (or follow the procedures for guaranteed delivery) and a properly completed and signed form of election to the exchange agent prior to the election deadline, which we will announce before the expected completion of the merger. You will not be able to sell any shares of Western Wireless common stock that you have delivered, unless you revoke your election before the deadline by providing written notice to the exchange agent. If you do not revoke your election, you will not be able to liquidate your investment in Western Wireless common stock for any reason until you receive cash and/or ALLTEL common stock in the merger. In the time between delivery of your shares and the closing of the merger, the trading price of Western Wireless or ALLTEL may decrease, and you might otherwise want to sell your shares of Western Wireless to gain access to cash, make other investments, or reduce the potential for a decrease in the value of your investment.

The date that you will receive your merger consideration depends on the completion date of the merger, which is uncertain. The completion date of the merger might be later than expected due to unforeseen events, such as delays in obtaining required consents and approvals.

Risks Related to ALLTEL

ALLTEL faces intense competition in its businesses that could reduce its market share or adversely affect its financial performance.

Substantial and increasing competition exists in the wireless communications industry. Multiple wireless service providers may operate in the same geographic area, along with any number of resellers that buy bulk wireless services from one of the wireless service providers and resell them to their customers. In January 2003, the FCC lifted its rule imposing limits on the amount of spectrum that can be held by one provider in a specific market. Competition may continue to increase as a result of recent consolidation in the wireless industry and to the extent that there are other consolidations in the future involving its competitors.

A majority of ALLTEL s wireless markets have multiple carriers. The presence of multiple carriers within ALLTEL s wireless markets has made it increasingly difficult to attract new customers and retain existing ones. While the recent consolidation in the wireless industry may reduce the number of carriers in ALLTEL s markets, the carriers resulting from such consolidation will be larger and potentially more effective in their ability to compete with ALLTEL. As a result of increased competition, ALLTEL anticipates that the price per minute for wireless voice services will decline while costs to acquire customers, including, without limitation, handset subsidies and advertising and promotion costs, may increase. ALLTEL s ability to continue to compete effectively will depend upon its ability to anticipate and respond to changes in technology, customer preferences, new service offerings, demographic trends, economic conditions and competitors pricing strategies. Failure to successfully market its products and services or to adequately and timely respond to competitive factors could reduce ALLTEL s market share or adversely affect its revenue or net income.

In the current wireless market, ALLTEL s ability to compete also depends on its ability to offer regional and national calling plans to its customers. ALLTEL relies on roaming agreements with other wireless carriers to provide roaming capabilities in areas not covered by its network. These agreements are subject to renewal and termination if certain events occur, including, without limitation, if network standards are not maintained. If ALLTEL is unable to maintain or renew these agreements, its ability to continue to provide competitive regional and nationwide wireless service to its customers could be impaired, which, in turn, would have an adverse impact on its wireless operations.

Some of ALLTEL s incumbent local exchange carrier (ILEC) operations have begun to experience competition in their local service areas. Sources of competition to ALLTEL s local service business include, but are not limited to, resellers of local exchange services, interexchange carriers, satellite transmission service providers, wireless communications providers, cable television companies, competitive access service providers, including, without limitation, those utilizing Unbundled Network Elements-Platform or UNE-P, and voice-over-Internet-protocol, or VoIP, providers and providers using other emerging technologies. To date, this competition has not had a material adverse effect on ALLTEL s results from operations. However, competition, mainly from wireless and broadband substitution, has caused a reduction in the number of ALLTEL s access lines. In the future, ALLTEL expects the number of its access lines served to continue to be adversely affected by wireless and broadband substitution.

ALLTEL is subject to government regulation of the telecommunications industry.

As a provider of wireless communication services, ALLTEL is subject to regulation by the FCC. The FCC has rules governing the construction and operation of wireless communications systems and licensing and technical standards for the provision of wireless communication services. The FCC also regulates the terms under which ancillary services may be provided through wireless facilities. While the FCC has authority to regulate rates for wireless services, it has so far refrained from doing so. States are also permitted to regulate the terms and conditions of wireless services which are unrelated to either rates or market entry. The FCC and various state commissions regulate ALLTEL s status as an Eligible Telecommunications Carrier (ETC), which qualifies ALLTEL to receive support from the Universal

Service Fund. In addition, the FCC and Federal Aviation Administration regulate the siting, lighting and construction of transmitter towers and antennae. Tower siting and construction is also subject to state and local zoning as well as federal statutes regarding environmental and historic preservation. The future costs to comply with all relevant regulations are to some extent unknown and could result in higher operating expenses in the future, and changes to other regulations (such as those relating to qualification as an ETC) could result in loss of revenue in the future.

Licenses granted to ALLTEL by the FCC to provide wireless communications services were originally issued for 10-year terms and may be renewed for additional 10-year terms subject to FCC approval of the renewal applications. Failure to comply with FCC requirements in a given service area could result in the revocation of its license for that area or in the imposition of fines.

As a provider of wireline communication services, ALLTEL has been granted franchises by each of the 15 states in which it operates. ALLTEL is subject to regulation from the regulatory commissions in each of these 15 states as well as from the FCC. State regulatory commissions have primary jurisdiction over local and intrastate rates that ALLTEL charges customers, including, without limitation, other telecommunications companies, and service quality standards. The FCC has primary jurisdiction over the interstate access rates that ALLTEL charges other telecommunications companies that use its network and issues related to interstate service. Future revenues, costs, and capital investment in its wireline business could be adversely affected by material changes to these regulations including but not limited to changes in inter-carrier compensation, state and federal USF support, UNE-P pricing and requirements, and VOIP regulation.

Rapid and significant changes in technology could require ALLTEL to significantly increase capital investment or could result in reduced demand for its services.

Technologies for wireless and wireline communications are rapidly changing. In the majority of ALLTEL s wireless markets, it employs Code Division Multiple Access, or CDMA, which is a second-generation digital technology providing expanded channel capacity and the ability to offer advanced services and functionality. ALLTEL is currently deploying CDMA 2000 1XRTT and EV-DO technologies, which are third-generation technologies that increase voice capacity, allow high-speed data services and are capable of addressing more complex data applications. Deployment of third-generation digital technologies will require ALLTEL to make additional capital investments.

New communication technologies may also impact ALLTEL s wireline business. For example, ALLTEL may be unable to retain existing wireline customers who decide to replace their wireline telephone service with wireless telephone service. Furthermore, the development and deployment of cable and DSL broadband technology will likely result in additional local telephone line losses for ALLTEL as its customers shift from dial-up data services to high-speed data services. In addition, VOIP technology, which operates on broadband technology, now provides ALLTEL s competitors with a low-cost alternative to access the home and provide local telephone voice services to ALLTEL s wireline customers.

The need to deploy new technologies in its wireless business, or the proliferation of replacement technologies impacting its wireline business, could require ALLTEL to make significant additional capital investment or could result in reduced demand for its services, both of which could adversely impact its financial performance and results of operations.

THE MERGER

General

On January 9, 2005, Western Wireless board of directors unanimously approved the merger agreement that provides for the acquisition by ALLTEL of Western Wireless through a merger of Western Wireless with and into Merger Sub, a newly formed and wholly-owned subsidiary of ALLTEL. After the merger, Merger Sub will be the surviving entity and the separate corporate existence of Western Wireless will cease. The basic consideration in the merger is $9.25 in cash and 0.535 shares of ALLTEL common stock for each share of Western Wireless common stock outstanding immediately prior to completion of the merger, and each Western Wireless shareholder is entitled to elect to receive this basic mix. Alternatively, Western Wireless shareholders may elect to receive either $40 in cash or 0.7 shares of ALLTEL common stock by making a cash election or a stock election. THE CASH AND STOCK ELECTIONS ARE SUBJECT TO PRORATION TO PRESERVE AN OVERALL MIX OF $9.25 IN CASH AND APPROXIMATELY, BUT NOT LESS THAN, 0.535 SHARES OF ALLTEL COMMON STOCK FOR ALL OF THE OUTSTANDING SHARES OF WESTERN WIRELESS COMMON STOCK TAKEN TOGETHER. AS A RESULT, EVEN IF WESTERN WIRELESS SHAREHOLDERS MAKE THE ALL CASH OR ALL STOCK ELECTION THEY MAY RECEIVE A PRORATED AMOUNT OF CASH AND ALLTEL COMMON STOCK. Western Wireless shareholders who fail to make an election will be deemed to have made the mixed election. A discussion of the proration mechanism as well as examples of hypothetical prorations can be found in this proxy statement/ prospectus under the heading The Merger Agreement Merger Consideration.

Background of the Merger

During the past few years, Western Wireless board of directors has sought to expand the geographic scope of, and enhance the services provided by, its wireless business to enable it to compete more effectively against national wireless carriers. While Western Wireless is a leader in the rural sector of the U.S. wireless industry, Western Wireless board of directors and management have come to believe that Western Wireless size and financial resources relative to national wireless carriers are a disadvantage. Western Wireless needs to make significant capital expenditures to expand coverage and offer next-generation services to continue to provide a competitive range of products and services to its customers. The capital required to expand Western Wireless business to compete more effectively would be costly and would expose Western Wireless to significant business and financial risks.

During this period, the board of directors of Western Wireless periodically reviewed the state of the wireless industry and considered whether a business combination would be in the best interest of Western Wireless and its shareholders.

As part of the continuous evaluation of its business and plans, ALLTEL regularly considers a variety of strategic options and transactions. During the past few years, executive management at ALLTEL has periodically engaged in discussions with John W. Stanton, Western Wireless chairman and chief executive officer, regarding the telecommunications industry, including a potential acquisition of Western Wireless by ALLTEL. During this time period, management of ALLTEL also considered other strategic options and transactions.

Following the public announcement of the Cingular and AT&T Wireless merger agreement, ALLTEL s executive management determined again to approach Mr. Stanton to discuss a purchase of Western Wireless by ALLTEL. On September 1, 2004, Scott T. Ford, president and chief executive officer of ALLTEL, and Mr. Stanton agreed to meet to discuss the ongoing changes in the telecommunications industry.

On September 7, Mr. Stanton and Mr. Ford met in person in Jackson Hole, Wyoming and engaged in wide-ranging discussions regarding the telecommunications industry in general, both within the United States and globally, and the history, current status and culture of their respective companies. On September 16, 2004, in executive session at a regularly scheduled meeting of the board of directors of Western Wireless, Mr. Stanton informed the Western Wireless board of directors regarding the

September 7 meeting with Mr. Ford and described his plans to continue discussions with Mr. Ford. On September 22, 2004, Mr. Stanton and Mr. Ford met again in Jackson Hole, Wyoming and discussed various consolidation opportunities in the wireless industry. At this meeting, Mr. Stanton and Mr. Ford discussed a possible strategic combination of ALLTEL and Western Wireless. Mr. Stanton provided Mr. Ford a brief overview of Western Wireless management team and international operations, and they discussed other issues associated with a possible combination of their respective companies.

Mr. Stanton and Mr. Ford met briefly in New York, New York on October 4 and 5, 2004 at a financial conference and in Las Vegas, Nevada, on October 12, 2004 at an industry conference. There were no substantive discussions during those meetings regarding consolidation opportunities in the wireless industry or a possible combination of ALLTEL and Western Wireless. On November 22, 2004, Mr. Stanton and Mr. Ford met in Santa Fe, New Mexico. During this meeting, Mr. Ford indicated ALLTEL s interest in acquiring Western Wireless by way of a merger in which holders of shares of Western Wireless common stock would receive shares of ALLTEL s common stock as consideration. Mr. Ford also indicated that ALLTEL could not make an offer to acquire Western Wireless without conducting a preliminary due diligence investigation. Mr. Stanton and Mr. Ford discussed an exchange ratio of approximately 0.7 shares of ALLTEL common stock for each share of Western Wireless common stock, which would result, based on the then-prevailing market prices of the common stock of Western Wireless and ALLTEL, respectively, in a value per share of Western Wireless common stock of approximately $40. They also discussed ALLTEL s desire for the execution of a voting agreement by Mr. Stanton and certain of his affiliates that would obligate them to vote in favor of the merger. On November 24, 2004, Western Wireless and ALLTEL entered into a non-disclosure agreement in connection with the possibility of further exploring a potential transaction, and to permit the exchange of confidential information. On November 29, 2004, Western Wireless retained Bear Stearns to advise it in connection with a potential transaction with ALLTEL and on potential strategic alternatives. Western Wireless and ALLTEL then began exchanging non-public information regarding each other. On December 1 and 2, 2004, members of management from Western Wireless and representatives from its financial advisor, Bear Stearns, and several of ALLTEL s executive officers and representatives from its financial advisor met in Seattle, Washington and Western Wireless management team made presentations on its business to the ALLTEL executives.

On December 6, 2004, Western Wireless board of directors met. Senior members of Western Wireless management and representatives of Bear Stearns also attended. At this meeting, Mr. Stanton advised the board of his recent discussions with Mr. Ford and the possible timing of a proposal from ALLTEL.

On December 15 and 16, 2004, Mr. Stanton and Mr. Ford met in Phoenix, Arizona, to continue their discussions regarding a possible business combination. Mr. Ford indicated that he was satisfied with what ALLTEL had learned in the discussions on December 1 and 2, 2004 and from the information exchanged and that ALLTEL desired to acquire all of the outstanding shares of Western Wireless common stock at an exchange ratio of approximately 0.7 shares of ALLTEL common stock for each share of Western Wireless common stock subject to due diligence, negotiation and documentation of the terms of the transaction, and the consideration and approval of the ALLTEL board of directors. Mr. Stanton and Mr. Ford discussed in general certain other potential terms, pursuant to which ALLTEL would acquire Western Wireless through a merger, including the possible structure of the transaction, the form of consideration, the possibility of the execution of a voting agreement by Mr. Stanton and certain of his affiliates that would obligate them to vote in favor of the merger, the possible use of a price protection mechanism, the possibility of setting aside a pool of money for retention, severance and performance bonus payments in connection with the potential transaction, and the possibility of an agreement by ALLTEL to certain limitations on entering other strategic transactions prior to the closing of the potential transaction with Western Wireless.

Following the meetings in Phoenix, on December 16, 2004, ALLTEL sent to Western Wireless a draft merger agreement, as well as a draft voting agreement that ALLTEL required Mr. Stanton and certain of his affiliates to enter into as a condition to ALLTEL s agreement to enter into the merger agreement.

On December 17, 2004, Western Wireless board of directors met. Senior members of Western Wireless management also attended. At this meeting, Mr. Stanton reviewed with the board the terms proposed by Mr. Ford during his latest meeting with him in Phoenix. Western Wireless legal advisors also reviewed with the board the legal standards applicable to the board s decision-making process and the key points of the draft merger agreement and the draft voting agreement received from ALLTEL s legal advisors the previous day. Western Wireless management and financial and legal advisors answered the board s questions and Bear Stearns reviewed with the board the range of companies that might be interested in a transaction with Western Wireless. Bear Stearns discussed the reasons why certain potential strategic partners might not be interested in a transaction with Western Wireless at this time, including considerations of business compatibility, recent or ongoing merger or acquisition activity of some potential strategic partners that would likely reduce such entities possible interest in a transaction with Western Wireless, and financial capability. After reviewing the likelihood of an alternative transaction with several of the large wireless communications providers in the United States and abroad, as well as the likelihood and desirability of entertaining any possible financial buyers, and considering the views and recommendations of its financial advisors, the board determined that two large telecommunications providers in the United States would likely be the only serious candidates for an alternative transaction. The board also reviewed again the prospects and risks that Western Wireless would face if it remained a stand-alone entity and, while remaining open to continuing as a stand-alone entity, in view of the ongoing consolidation of the wireless telecommunications industry and Western Wireless relative disadvantage in terms of size and financial resources, determined to continue its support for a possible strategic transaction. At the conclusion of this discussion, the board directed Western Wireless management, with the assistance of its legal and financial advisors, to continue negotiations with and the due diligence investigation of ALLTEL. Based on discussions with its management and financial and legal advisors, Western Wireless board also specifically directed the representatives of Bear Stearns to contact the two large telecommunications companies discussed earlier regarding a possible business combination of Western Wireless.

During the period from late December 2004 through early January 2005, Bear Stearns contacted these two potential purchasers, but was informed that they were not interested in pursuing a possible business combination with Western Wireless.

The companies engaged in due diligence sessions in Little Rock, Arkansas on January 3, 2005 and in Bellevue, Washington on January 4 and 5, 2005. On January 5, 2005, Mr. Stanton, Mr. Ford, members of management of Western Wireless and ALLTEL, with the assistance of their respective financial advisors, also continued to engage in negotiations regarding the terms of the transaction. During that session the parties discussed various price protection mechanisms, including the possibility of adding a collar around the exchange ratio or adding a cash component to the merger consideration. After some discussion, the parties agreed to include a cash component to the merger agreement, which would add some price protection for Western Wireless shareholders while still allowing them to participate in the combined post-merger company and would improve the overall capital structure of the combined company, while also increasing for Western Wireless shareholders the likelihood of consummation of the merger by obviating the need for approval by the shareholders of ALLTEL. Accordingly, the parties then agreed, among other things, to change the consideration for the merger to a combination of stock and cash that would be economically equivalent to approximately 0.7 shares of ALLTEL common stock or $40 per share of Western Wireless common stock. The parties decided not to include any price protection mechanisms because the management team of Western Wireless did not want to impose a ceiling on the potential value of the transaction to Western Wireless shareholders and understood that ALLTEL would not be amenable to allowing Western Wireless to minimize its shareholders downside risk without at the same time imposing such a ceiling.

During the period from December 17, 2004 through January 9, 2005, Western Wireless and ALLTEL exchanged drafts of the merger agreement and the voting agreement and negotiated the terms and conditions of those agreements.

On January 7, 2005, Western Wireless convened another meeting of its board. At the meeting, Mr. Stanton made a presentation to the board regarding the wireless industry in the U.S., the competitive environment in both the U.S. and Europe, and the risks and opportunities facing Western Wireless in the current environment. He also presented a brief overview of ALLTEL, a summary of his recent discussions with Mr. Ford, the business and strategic rationale for the proposed transaction, the proposed structure of the transaction, and a proposed timeline for the transaction. Western Wireless management then presented a report regarding its due diligence investigation of ALLTEL. Representatives of Bear Stearns reviewed with the Western Wireless board ALLTEL s financial status, historical performance and prospects and Bear Stearns findings from its financial due diligence. Western Wireless legal advisors discussed certain legal considerations relating to the proposed transaction and briefed the board on the status of negotiations with ALLTEL s legal advisors regarding the merger agreement and the voting agreement. Western Wireless management and advisors then provided the board an overview of the open issues still remaining. The board also reviewed and considered, with Western Wireless advisors, the various factors described under Recommendation of the Western Wireless Board; Western Wireless Reasons for the Merger as well as regulatory approval risks, shareholder approval risks, and other risks, such as non-consummation or integration, in connection with the proposals. Following these reviews and further discussion, the board instructed management to continue negotiations with ALLTEL, and the board meeting was adjourned until January 9, 2005.

Throughout the day and night of January 8 and 9, 2005, Western Wireless management and financial and legal advisors had a series of discussions and meetings with their counterparts at ALLTEL in order to finalize the proposed merger agreement on mutually agreeable terms. The financial terms were agreed upon late in the day on January 8, 2005.

On the afternoon of January 9, 2005, ALLTEL s board of directors met and, after reviewing all aspects of the proposed transaction, unanimously approved and authorized ALLTEL to enter into the merger agreement and voting agreement.

Following the meeting of the ALLTEL board of directors, Western Wireless board of directors met in New York. Mr. Stanton advised the board that he had received a phone call from Mr. Ford who reported that the ALLTEL board had unanimously approved the merger. At this meeting, Western Wireless legal advisors reviewed the terms of the merger agreement in detail and described how certain open issues identified during the telephonic meeting of the board on January 7, 2005 had been resolved. Representatives of Bear Stearns then presented its financial analyses of the merger and delivered Bear Stearns oral opinion, later confirmed in writing, that as of the date of that opinion, based upon and subject to the assumptions, conditions, limitations and other matters set forth in its opinion, the merger consideration was fair, from a financial point of view, to the shareholders of Western Wireless. The board then reviewed again the various factors described under Recommendation of the Western Wireless Board; Western Wireless Reasons for the Merger, as well as regulatory approval risks, shareholder approval risks, and other risks in connection with the proposals. Following further discussion and consideration, and subject to finalization by the parties respective management teams and legal advisors, Western Wireless board of directors unanimously approved and authorized the execution of the merger agreement and resolved to recommend approval of the merger agreement to the shareholders of Western Wireless on the terms discussed at the Western Wireless board meeting. In addition, during that meeting, the full board also approved the general terms of certain retention and severance plans for agreement by ALLTEL pursuant to the merger agreement, with the text of the plans to still be prepared and presented for review, adoption and determination of awards by the board s compensation committee (which occurred on February 8, 2005) (see The Merger Agreement Covenants Stock Options; Employee Stock Purchase Plan; Employee Matters; Retention Pool; and Severance Program).

In the evening of January 9, 2005, representatives of Western Wireless and ALLTEL s respective management and legal advisors completed the definitive merger agreement and the voting agreement, and thereafter the parties executed the merger agreement and John Stanton, Theresa E. Gillespie and certain of their affiliates entered into the voting agreement. Theresa E. Gillespie, a director and the Vice Chairman of Western Wireless, and John Stanton are married to each other. Western Wireless and ALLTEL issued a joint press release announcing the execution of the merger agreement and the voting agreement in the morning of January 10, 2005.

Recommendation of the Western Wireless Board; Western Wireless Reasons for the Merger

On January 9, 2005, the board of directors of Western Wireless, by unanimous vote, determined the merger of Western Wireless into a wholly-owned subsidiary of ALLTEL, and the other transactions contemplated by the merger agreement, to be advisable, fair to and in the best interests of Western Wireless and its shareholders and approved and adopted the merger agreement and the merger. THE BOARD OF DIRECTORS OF WESTERN WIRELESS UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS OF WESTERN WIRELESS VOTE FOR THE APPROVAL AND ADOPTION OF THE MERGER AGREEMENT AND THE MERGER AT THE WESTERN WIRELESS ANNUAL MEETING.

In the course of reaching its decision to approve and adopt the merger agreement and the merger and to recommend that Western Wireless shareholders vote to approve and adopt the merger agreement and the merger, the Western Wireless board consulted with management, as well as with its outside legal counsel and financial advisors, and considered the following material factors:

Financial Terms Premium Valuation. The Western Wireless board noted that:

- Based on the closing market price of shares of ALLTEL common stock on the last trading day prior to the announcement of the merger agreement, the per share value of the merger consideration to be received by Western Wireless shareholders represented a premium of approximately:
  - 40.35% over the closing price of Western Wireless Class A common stock on December 16, 2004, the last trading day prior to the Western Wireless board s decision to contact other potential acquirors and continue negotiations with ALLTEL;
  - 29.03% over the closing price of Western Wireless Class A common stock on January 5, 2005, the last trading day prior to the widespread circulation of rumors of a possible transaction between Western Wireless and ALLTEL;
  - 39.64% and 45.99%, respectively, over the average closing prices of Western Wireless Class A common stock for the three- and six-month periods leading up to the announcement of the merger agreement; and
  - 19.37% over the highest trading price of Western Wireless Class A common stock at any time during the one-year period preceding December 16, 2004.

Please see page [ ] for information about the current trading price of ALLTEL common stock and the current per share value of the merger consideration to be received by Western Wireless shareholders.

Opportunity to Participate in a Stronger Combined Company After the Merger. Because most of the merger consideration will be payable in the form of ALLTEL shares, Western Wireless shareholders will have the opportunity to participate in the future performance of the combined post-merger company. In this regard, the Western Wireless board noted that:

- The combined company would be the leading nationwide 850 MHz operator for rural markets and that the addition of Western Wireless operations would complement ALLTEL s geographic coverage and provide greater scale and purchasing power;
- The combined company would have a strong balance sheet and substantial cash flow to finance future expansion as well as to invest in improving and adding new services for customers; and
- The larger geographic footprint and increased number of subscribers of the combined company would make it attractive as an acquisition target to a greater number of national operators than Western Wireless would be as an independent company.

Alternatives to the Merger and Advantages of the ALLTEL Transaction. The Western Wireless board considered a number of strategic alternatives available to Western Wireless, including:

- remaining an independent company and continuing Western Wireless strategy of expanding the geographic scope of its services and expanding the scope of the products and services offered to its customers, in order to be able to compete effectively with larger wireless carriers in the U.S.;

- pursuing one or more significant acquisitions of other wireless telecommunications providers; and

- entering into a combination with or being acquired by a major telecommunications company of national scale.

After investigating and discussing these strategic alternatives (see Background of the Merger) and comparing these strategic alternatives to the proposed merger with ALLTEL, the Western Wireless board concluded, based on its familiarity with the wireless business in which Western Wireless competes and general industry, economic and market conditions, both historical and prospective, and based on presentations by Western Wireless management and financial advisors, that the merger represented the most desirable strategic alternative for Western Wireless. In reaching this conclusion, the board reviewed and took into consideration:

- the risks and uncertainties associated with the strategic alternatives available to Western Wireless, including the competitive challenges in view of the emergence of a few national wireless providers, the increasing capital costs that would be required to maintain Western Wireless multiple technologies strategy in rural areas as the industry evolved to next generation technologies, as compared with the potential shareholder value that the board believed might result from a merger with ALLTEL on the proposed terms;

- the strong strategic fit between Western Wireless mobile telecommunications business and operations, resulting from the geographical contiguity between Western Wireless domestic properties and ALLTEL s existing wireless operations, which combined with minimal overlap of their markets would enable the combined company to serve a much larger geographic area in the United States, ranging from the Southeast to the Western and mountain states of the country;

- the fact that efforts by Western Wireless financial advisor to contact other potential acquirors did not result in any indications of interest; and

- the material terms of the merger agreement.

Opinion of Financial Advisor to Western Wireless. Representatives of Bear Stearns, Western Wireless financial advisor, presented its financial analyses of the merger and the various strategic alternatives available to Western Wireless and delivered Bear Stearns oral opinion, later confirmed in writing, that as of the date of that opinion, based upon and subject to the assumptions, conditions, limitations and other matters set forth in its opinion, the merger consideration was fair, from a financial point of view, to the shareholders of Western Wireless. In this regard, the Board was aware that Bear Stearns would receive an aggregate fee for its services of approximately $22 million, of which approximately $20 million is contingent on successful consummation of the merger (see Opinion of Financial Advisor to Western Wireless).

Likelihood of Completion. The Western Wireless board believed, after reviewing the terms of the merger agreement with Western Wireless legal advisors, that the nature and relatively limited number of conditions to the completion of the merger, and the strength of ALLTEL s obligations to fulfill those conditions, would increase the likelihood of the merger being completed (see Conditions to the Merger and Regulatory Approvals).

Tax-Free Treatment. It is expected that the portion of the merger consideration to be received by Western Wireless shareholders in the form of ALLTEL common stock will be tax-free to those shareholders for U.S. federal income tax purposes, although the Western Wireless board was also mindful of the fact that the cash portion of the merger consideration may be taxable for U.S. federal income tax purposes (see Material United States Federal Income Tax Consequences).

The Western Wireless board also considered the following potentially negative factors associated with the merger:

- the risks of the type and nature described under Risk Factors ;
- the possibility that the FTC, FCC or state or foreign regulatory authorities might seek to impose conditions on or enjoin or otherwise prevent or delay the merger, which possibility the board considers to be low;
- the risks and costs to Western Wireless if the merger does not close, including the diversion of management and employee attention, potential employee attrition, employee retention costs and the potential effect on business and customer relationships;
- the restrictions on the conduct of Western Wireless business prior to the consummation of the merger, requiring Western Wireless to conduct its business in the ordinary course, subject to specific limitations, which may delay or prevent Western Wireless from undertaking business opportunities that may arise pending completion of the merger;
- the requirement that Western Wireless submit the merger agreement to its shareholders even if the Western Wireless board withdraws its recommendation, to the extent permitted by applicable law, which could delay or prevent Western Wireless ability to pursue a superior proposal if one were to become available;
- the fact that holders of approximately 41% of the aggregate number of votes entitled to be cast have agreed with ALLTEL to vote in favor of the transaction and against any competing proposal, which could contribute to the merger being approved even if a superior proposal were to become available;
- the requirement that Western Wireless pay to ALLTEL a termination fee of $120 million, if the merger agreement were to be terminated and if, under specified circumstances and during specified periods thereafter, Western Wireless were to enter into an agreement regarding the acquisition of Western Wireless by merger or business combination, or a merger of equals, or an acquisition of 40% or more of its assets or shares of common stock with a third party; and
- the risk that because the exchange ratios for the stock election and the stock portion of the mixed election will not be adjusted in the event the market price of ALLTEL common stock declines and the cash and stock elections are subject to proration, the dollar value of the merger consideration to Western Wireless shareholders receiving ALLTEL common stock in the merger could decrease prior to the completion of the merger. The merger agreement does not contain a collar or other mechanism that could mitigate the effect of a decrease in the trading price of ALLTEL shares.

The Western Wireless board believed and continues to believe, however, that these potential risks and drawbacks are greatly outweighed by the potential benefits that the board expects Western Wireless and its shareholders to achieve as a result of the merger.

In considering the proposed merger, Western Wireless directors were aware of the interests of certain officers and directors of Western Wireless in the merger, described under Interests of Certain Persons in the Merger.

The foregoing discussion addresses the material information and factors that the board of directors of Western Wireless reviewed in its consideration of the merger. The board conducted numerous discussions of the factors discussed above, including asking questions of Western Wireless management and its financial and legal advisors. In view of the variety of factors and the amount of information considered, the Western Wireless board did not find it practicable to, and did not, make specific assessments of, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination. In addition, the board did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination. The Western Wireless board made its determination after considering all of the factors as a whole; and individual members of the board may have given different weights to different factors.

Opinion of Financial Advisor to Western Wireless

Pursuant to an engagement letter, dated as of November 29, 2004, Western Wireless engaged Bear Stearns as its financial advisor in connection with the merger. At a meeting of Western Wireless board of directors held on January 9, 2005, at which the Western Wireless board of directors considered and approved the merger agreement and the merger, Bear Stearns rendered its oral opinion (which was subsequently confirmed in a written opinion, dated January 9, 2005) that, as of such date and based upon and subject to the matters reviewed with Western Wireless board of directors and the assumptions and limitations contained in the written Bear Stearns opinion, the merger consideration was fair, from a financial point of view, to the shareholders of Western Wireless.

The full text of the Bear Stearns opinion is attached hereto as Annex C. The description of the Bear Stearns opinion set forth herein is qualified in its entirety by reference to the full text of the Bear Stearns opinion. Western Wireless shareholders are urged to read the Bear Stearns opinion in its entirety for a description of the procedures followed, assumptions made, matters considered and qualifications and limitations on the review undertaken by Bear Stearns in connection therewith. The Western Wireless board of directors did not impose any limitations on the review undertaken by Bear Stearns. The Bear Stearns opinion is subject to the assumptions and conditions contained therein and is necessarily based on economic, market and other conditions and the information made available to Bear Stearns as of the date of the Bear Stearns opinion. Bear Stearns assumes no responsibility for updating or revising its opinion based on circumstances or events occurring after the date of the Bear Stearns opinion. The Bear Stearns opinion is intended for the benefit and use of the board of directors of Western Wireless and does not constitute a recommendation to the board of directors of Western Wireless or any holders of Western Wireless common stock as to how to vote or take any other action in connection with the merger. The Bear Stearns opinion did not address Western Wireless underlying business decision to pursue the merger, the relative merits of the merger as compared to any alternative business strategies that might have existed for Western Wireless or the effects of any other transaction in which Western Wireless might engage.

In the course of performing its review and analyses for rendering its opinion, Bear Stearns:

reviewed the Agreement and Plan of Merger, dated January 9, 2005, among ALLTEL, Merger Sub and Western Wireless and the Voting Agreement, dated January 9, 2005, among ALLTEL and the shareholders of Western Wireless named therein;

reviewed Western Wireless and ALLTEL s Annual Reports to Shareholders and Annual Reports on Form 10-K for the years ended December 31, 2001, 2002 and 2003, their Quarterly Reports on Form 10-Q for the periods ended March 31, 2004, June 30, 2004 and September 30, 2004, their Current Reports on Form 8-K for the three years ended January 9, 2005 and the preliminary results of Western Wireless and ALLTEL for the quarter ended December 31, 2004 provided to Bear Stearns by the managements of Western Wireless and ALLTEL, respectively;

reviewed certain operating and financial information relating to Western Wireless and ALLTEL s business and prospects. This information included projections (described below as Case 1 and Case 2) for the six years ending December 31, 2009 for Western Wireless prepared by Western Wireless management and for the year ending December 31, 2004 for ALLTEL prepared by ALLTEL s management. Bear Stearns also reviewed publicly available research analyst projections for the five years ending December 31, 2009 for ALLTEL and reviewed and discussed such projections with the managements of ALLTEL and Western Wireless;

reviewed certain estimates of cost savings and other combination benefits expected to result from the merger, prepared and provided to Bear Stearns by ALLTEL s management;

- met with certain members of Western Wireless and ALLTEL s senior managements to discuss each entity s respective businesses, operations, historical and projected financial results and future prospects;
- reviewed the historical prices, trading multiples and trading volumes of the common stock of each of Western Wireless and ALLTEL;
- reviewed publicly available financial data, stock market performance data and trading multiples of companies which Bear Stearns deemed generally comparable to each of Western Wireless and ALLTEL;
- reviewed the terms of recent mergers and acquisitions of companies which Bear Stearns deemed generally comparable to Western Wireless and the merger;
- performed discounted cash flow analyses based on the projections for each of Western Wireless and ALLTEL and synergy estimates for the combined company furnished to Bear Stearns;
- reviewed the pro forma financial results, financial condition and capitalization of ALLTEL giving effect to the merger; and
- conducted such other studies, analyses, inquiries and investigations as Bear Stearns deemed appropriate.

Bear Stearns relied upon and assumed, without independent verification, the accuracy and completeness of the financial and other information provided to Bear Stearns or discussed with Bear Stearns by Western Wireless and ALLTEL, including, without limitation, the projections and synergy estimates. With respect to the projected financial results for Western Wireless and ALLTEL and the potential synergies that could be achieved upon consummation of the merger, Bear Stearns assumed that they had been reasonably prepared on bases reflecting the best currently available estimates and judgments of the persons who prepared such projected financial results and projected synergies (and with respect to the publicly available research projections for ALLTEL reviewed by Bear Stearns, were also prepared on bases that are consistent with the best currently available estimates and judgments of ALLTEL management), as to the expected future performance of Western Wireless and ALLTEL, as the case may be. Bear Stearns did not assume any responsibility for the independent verification of any such information or any such projections and synergy estimates, and Bear Stearns further relied upon the assurances of the senior managements of Western Wireless (with respect to information relating to Western Wireless) and ALLTEL (with respect to information relating to ALLTEL) that they are unaware of any facts that would make the information, and projections and synergy estimates, reviewed by Bear Stearns incomplete or misleading.

In arriving at its opinion, Bear Stearns did not perform or obtain any independent appraisal of the assets or liabilities (contingent or otherwise) of Western Wireless and ALLTEL, nor was Bear Stearns furnished with any such appraisals. Bear Stearns assumed that the merger will qualify as a tax-free reorganization within the meaning of Section 368(a) of the Internal Revenue Code. Bear Stearns also assumed that the merger would be consummated in a timely manner and in accordance with the terms of the merger agreement without any limitations, restrictions, conditions, amendments or modifications, regulatory or otherwise, that collectively would have a material effect on Western Wireless, ALLTEL or Merger Sub.

Summary of Financial Analyses

The following is a summary of the material financial analyses performed by Bear Stearns in connection with the rendering of its fairness opinion to the Western Wireless board of directors. Some of the financial analyses summarized below include information presented in tabular format. In order to understand fully Bear Stearns financial analyses, the tables must be read together with the text of the summary. The tables alone are not a complete description of the financial analyses. Considering the tables alone could create a misleading or incomplete view of Bear Stearns financial analyses.

In connection with its role as Western Wireless financial advisor and as directed by Western Wireless board of directors, during the period from late December 2004 through early January 2005, Bear Stearns contacted the two parties it deemed most likely to be interested in a potential business combination with Western Wireless in addition to ALLTEL, but was informed that they were not interested in pursuing a possible business combination with Western Wireless.

Western Wireless Valuation

Bear Stearns analyzed the value of Western Wireless using implied trading multiples of selected public companies and using implied multiples from selected precedent merger and acquisition transactions. Bear Stearns also valued Western Wireless using a discounted cash flow analysis. For purposes of Bear Stearns review, Bear Stearns utilized, among other things, projections of the future financial performance of Western Wireless, as prepared by the management of Western Wireless. Information in the following analyses referred to as Case 1 for Western Wireless means the financial projections of the future performance of Western Wireless through December 31, 2009 that were prepared by the management of Western Wireless in Fall 2004 to help prospective lenders of Western Wireless assess debt financing alternatives and assumed certain base operating results with respect to Western Wireless revenue, EBITDA (as defined below) and capital expenditures. Information referred to as Case 2 for Western Wireless means the financial projections of the future performance of Western Wireless through December 31, 2009 that were prepared by the management of Western Wireless and assumed certain more favorable operating results for Western Wireless with respect to Western Wireless revenue, EBITDA and capital expenditures. For purposes of the following analyses, Bear Stearns assumed an implied merger consideration of $39.27 per share, equal to $9.25 in cash plus the value of 0.535 shares of ALLTEL common stock as of January 7, 2005.

Selected Comparable Public Companies Analysis. Bear Stearns reviewed and analyzed selected public companies in the wireless communications business that it viewed as reasonably comparable to Western Wireless based on Bear Stearns knowledge of the domestic and international wireless communications industry. In performing these analyses, Bear Stearns reviewed and analyzed certain financial information (including equity value, enterprise value and EBITDA) valuation multiples and market trading data relating to Western Wireless and compared such information to the corresponding information of the selected comparable companies.

Specifically, Bear Stearns compared Western Wireless to six publicly traded domestic wireless companies and two publicly traded international wireless companies. To the extent publicly available, Bear Stearns reviewed the enterprise value as of January 7, 2005 as a multiple of 2005 estimated earnings before interest, income taxes, depreciation and amortization, also referred to as EBITDA , of each of these comparable companies.

The domestic wireless companies were:

- Centennial Communications Corp.;
- Dobson Communications Corporation;
- Nextel Partners, Inc. (valuation is as of November 30, 2004 prior to public disclosure of Nextel s transaction with Sprint);
- Rural Cellular Corporation;
- Triton PCS Holdings, Inc.; and
- United States Cellular Corporation.

The international wireless companies were:

- Millicom International Cellular S.A.; and
- Orascom Telecom Holding S.A.E.

Bear Stearns calculated the following trading multiples for the above comparable companies:

Selected Comparable Public Companies Trading Multiples

	Enterprise Value as a Multiple of CY 2005E EBITDA
Domestic Wireless Companies	
High	14.7x
Mean	9.0x
Low	6.6x
International Wireless Companies	
High	5.1x
Mean	4.8x
Low	4.5x

Based on the foregoing, Bear Stearns determined an enterprise value to estimated 2005 EBITDA multiple reference range of 6.4x to 7.0x and applied such range to the projected 2005 EBITDA for Western Wireless to calculate an enterprise value range for Western Wireless under each of Case 1 and Case 2. Bear Stearns then used these enterprise value ranges to calculate implied equity value per share ranges for Western Wireless, both assuming a 30% transaction control premium (which reflects the approximate historical average transaction premium over the four weeks prior to announcement for all merger and acquisition transactions in excess of $1 billion announced in calendar year 2004 based on information provided by Thomson Financial Securities Data Corporation) paid to Western Wireless shareholders and assuming no transaction control premium, as follows:

Implied Equity Value Ranges

	No Premium		30% Control Premium	
	Low	**High**	**Low**	**High**
Case 1	$ 28.10	$ 32.21	$ 36.53	$ 41.87
Case 2	$ 30.39	$ 34.71	$ 39.51	$ 45.12
Merger Consideration				$ 39.27

Selected Precedent Merger and Acquisition Transactions. Bear Stearns reviewed and analyzed selected precedent merger and acquisition transactions involving wireless companies based on Bear Stearns determination that these transactions were reasonably comparable to the merger. In performing these analyses, Bear Stearns reviewed and analyzed certain financial information (including enterprise value before and after announcement of the transaction) and transaction multiples relating to Western Wireless and compared such information to the corresponding information of the companies involved in the selected transactions.

Specifically, Bear Stearns reviewed 12 merger and acquisition transactions since December 23, 1998 in which a wireless communications company or the wireless assets of a communications company was sold to either a strategic or financial buyer. Bear Stearns divided the precedent transactions universe into three groups (listed by the acquirer followed by the acquired company and the date these transactions were publicly announced): (a) Current Market Transactions , (b) Most Comparable Transactions and (c) Other Transactions. To the extent publicly available, Bear Stearns reviewed the enterprise values for the acquired companies (which is a measure of a company s equity value plus debt and minority interest and less cash and unconsolidated investments) implied by the precedent transactions as a multiple of the projected EBITDA of the acquired company for the most applicable 12 month period following the announcement of the transaction, or forward EBITDA.

The precedent transactions in the Current Market Transactions group were:

Sprint Corporation/Nextel Communications, Inc. December 15, 2004;

Alamosa Holdings, Inc./AirGate PCS, Inc. December 8, 2004;

Rogers Wireless Communications Inc./Microcell Telecommunications Inc. September 20, 2004;

Cingular Wireless LLC/AT&T Wireless Services, Inc. February 17, 2004; and

Dobson Communications Corporation/American Cellular Corporation July 14, 2003.

The precedent transactions in the Most Comparable Transactions group were:

Sprint Corporation/Nextel Communications Inc. December 15, 2004;

Alamosa Holdings, Inc./AirGate PCS, Inc. December 8, 2004;

Cingular Wireless LLC/AT&T Wireless Services, Inc. February 17, 2004;

Dobson Communications Corporation/American Cellular Corporation July 14, 2003;

ALLTEL Corporation/CenturyTel, Inc. (wireless operations) March 19, 2002; and

Verizon Communications Inc./Price Communications Wireless, Inc. November 15, 2000.

The precedent transactions in the Other Transactions group were:

Rural Cellular Corporation/Triton Cellular Partners, L.P. November 8, 1999;

Dobson Communications Corporation/American Cellular Corporation October 6, 1999;

Vodafone Group PLC/CommNet Cellular Inc. July 19, 1999;

Welsh, Carson, Anderson & Stowe VIII, L.P./Centennial Cellular Corp. July 2, 1998; and

Dobson Communications Corporation/Sygnet Wireless, Inc. July 29, 1998.

Bear Stearns calculated the following multiples for the selected transactions used in its analysis:

Selected Merger and Acquisition Transaction Multiples

	Enterprise Value as a Multiple of 1-Year Forward EBITDA
Current Market Transactions	
High	10.8x
Mean	8.0x
Low	6.5x
Most Comparable Transactions	
High	12.1x
Mean	8.1x

Low	6.5x
All Transactions (including Other Transactions)	
High	13.1x
Mean	8.8x
Low	6.5x

Based on the foregoing, Bear Stearns determined a forward EBITDA multiple reference range of 7.0x to 8.0x and applied such range to the projected 2005 EBITDA for Western Wireless to calculate an enterprise value range for Western Wireless under each of Case 1 and Case 2. Bear Stearns then used these enterprise value ranges to calculate implied equity value ranges for Western Wireless as follows:

	Low	High
Case 1	$ 32.21	$ 39.05
Case 2	$ 34.71	$ 41.90
Merger Consideration		$ 39.27

Discounted Cash Flow Analysis. Bear Stearns performed an analysis of the present value of the cash flows available to equity holders that Western Wireless could generate over fiscal years 2005 through 2009. For this analysis, Bear Stearns analyzed separately the cash flows for Western Wireless domestic wireless business and international wireless business.

For Western Wireless domestic wireless business, Bear Stearns applied terminal value multiples ranging from 6.0x to 6.5x (based on the corresponding range of implied perpetual growth rates of free cash flow that Bear Stearns determined to be reasonable) to Western Wireless domestic wireless business forward EBITDA for Case 1 and Case 2, as provided by the management of Western Wireless. Bear Stearns chose these terminal value multiples based on (i) the implied perpetual growth rates of free cash flow derived from such multiples, (ii) Bear Stearns review of trading data for comparable public companies and (iii) Bear Stearns overall experience in valuing domestic wireless companies. The cash flows were then discounted to present value using a weighted average cost of capital, or WACC, of 10.5% (based on a range of unlevered betas between 0.800 and 1.000, determined by observing the betas of selected regional and national wireless service providers, and debt-to-total capitalization ratios between 20.0% and 50.0%). Based on the foregoing, Bear Stearns calculated an implied equity value range for Western Wireless domestic wireless business of $13.27 to $14.96 per share under Case 1 and $15.77 to $17.62 per share under Case 2.

For Western Wireless international wireless business, Bear Stearns applied terminal value multiples ranging from 5.5x to 6.0x (based on the corresponding range of implied perpetual growth rates of free cash flow that Bear Stearns determined to be reasonable) to Western Wireless international wireless business forward EBITDA for Case 1 and Case 2, as provided by the management of Western Wireless. Bear Stearns chose these terminal value multiples based on (i) the implied perpetual growth rates of free cash flow derived from such multiples, (ii) Bear Stearns review of trading data for comparable public companies and (iii) Bear Stearns overall experience in valuing wireless companies. The cash flows were then discounted to present value using a WACC ranging from 12.5% to 13.0% (based on a range of costs of equity of 18.0% to 19.0%, determined by observing the implied costs of equity in countries where Western Wireless international wireless business operates, and debt-to-total capitalization ratios between 20.0% and 50.0%). Based on the foregoing, Bear Stearns calculated an implied equity value range for Western Wireless international wireless business of $20.78 to $22.70 per share under Case 1 and $25.41 to $27.76 per share under Case 2.

Bear Stearns then combined the implied equity value ranges for Western Wireless domestic wireless business and international wireless business to calculate aggregate implied equity value ranges for Western Wireless of $34.05 to $37.66 per share under Case 1 and $41.19 to $45.38 per share under Case 2, as compared to the implied merger consideration of $39.27.

ALLTEL Valuation

Since Western Wireless shareholders are receiving ALLTEL common stock in the merger, Bear Stearns analyzed the value of ALLTEL using implied trading multiples of selected public companies and using implied multiples from selected precedent merger and acquisition transactions. Bear Stearns also valued ALLTEL using a discounted cash flow analysis. For purposes of Bear Stearns review, Bear Stearns utilized, among other things, projections of the future financial performance of ALLTEL for fiscal year 2004 prepared by the management of ALLTEL and publicly available research analyst projections for fiscal years 2005 to 2009 for ALLTEL.

Selected Comparable Public Companies Analysis. Bear Stearns reviewed and analyzed selected public companies in the wireline communications business and the wireless communications business that it viewed as reasonably comparable to ALLTEL based on Bear Stearns knowledge of the wireline communications industry and the wireless communications industry. In performing these analyses, Bear Stearns reviewed and analyzed certain financial information (including equity value, enterprise value and EBITDA), valuation multiples and market trading data relating to ALLTEL and compared such information to the corresponding information of the selected comparable companies.

Specifically, Bear Stearns compared ALLTEL to five publicly traded wireline companies and six publicly traded wireless companies. To the extent publicly available, Bear Stearns reviewed the enterprise value as of January 7, 2005 as a multiple of 2005 estimated EBITDA of each of these comparable companies.

The wireline companies were:

Citizens Communications Company;

CenturyTel, Inc.;

Commonwealth Telephone Enterprises, Inc.;

Qwest Communications International Inc.; and

Telephone and Data Systems, Inc.

The wireless companies were the same companies used in the Selected Comparable Public Companies Analysis for Western Wireless, with the exception of the international wireless companies noted above.

Bear Stearns calculated the following trading multiples for the above comparable companies:

Selected Comparable Public Companies Trading Multiples

	Enterprise Value as a Multiple of 2005E EBITDA
Wireline Comparable Companies	
High	7.9x
Mean	6.4x
Low	5.2x

Based on the foregoing, Bear Stearns determined an enterprise value to estimated 2005 EBITDA multiple reference range of 6.0x to 6.5x for wireline companies and applied the range to the projected 2005 EBITDA for ALLTEL s wireline business and an enterprise value to estimated 2005 EBITDA multiple reference range of 6.4x to 7.0x for wireless companies and applied the range to the projected 2005 EBITDA for ALLTEL s wireless business. The resulting wireline and wireless enterprise values were then aggregated to calculate an enterprise value range for ALLTEL. Using this enterprise value range, Bear Stearns calculated an implied equity value range for ALLTEL of $53.26 to $58.96 per share, as compared to ALLTEL s stock price of $56.12 on January 7, 2005.

Selected Precedent Merger and Acquisition Transactions. Bear Stearns reviewed and analyzed selected precedent merger and acquisition transactions involving recent wireline and wireless communications transactions based on Bear Stearns determination that the transactions were reasonably comparable to the merger. In performing these analyses, Bear Stearns reviewed and analyzed certain financial information (including transaction value) and transaction multiples relating to ALLTEL and compared such information to the corresponding information of the companies involved in such precedent transactions.

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Specifically, Bear Stearns reviewed 36 access line purchase transactions since August 3, 2000. Bear Stearns divided the transactions universe into two groups (listed by the acquirer followed by the acquired company and the date these transactions were publicly announced): (a) Most Comparable Transactions and (b) Other Transactions. To the extent publicly available, Bear Stearns reviewed the transaction enterprise values as a multiple of EBITDA for the last twelve months, or LTM.

The precedent transactions in the Most Comparable Transactions group were:

Carlyle Group/Verizon Hawaii Inc. May 21, 2004;

Consolidated Communications, Inc./TXU Corp. April 14, 2004;

Homebase Acquisition Texas Corp./Illinois Consolidated Telephone Co. July 17, 2002; and

Valor Telecommunications, LLC/Kerrville Communications Corp. February 14, 2002.

The wireless transactions were the same companies used in the Selected Precedent Merger and Acquisition Transactions Analysis for Western Wireless.

Bear Stearns calculated the following multiples for the recent wireline transactions used in its analysis:

Recent Wireline Transaction Multiples

	Enterprise Value as a Multiple of LTM EBITDA
Most Comparable Transactions	
High	7.4x
Mean	7.2x
Low	6.9x
Other Transactions	
High	12.0x
Mean	8.5x
Low	6.2x
All Transactions	
High	12.0x
Mean	8.2x
Low	6.2x

Based on the foregoing, Bear Stearns determined a forward EBITDA multiple reference range of 6.5x to 7.3x for the wireline transactions and applied the range to the projected 2005 EBITDA for ALLTEL s wireline business and a reference range of 7.0x to 8.0x for the wireless transactions and applied the range to the projected 2005 EBITDA for ALLTEL s wireless business. The resulting wireline and wireless enterprise values were then aggregated to calculate an enterprise value range for ALLTEL. Using this enterprise value range, Bear Stearns calculated an implied equity value range for ALLTEL of $58.96 to $68.09 per share, as compared to ALLTEL s stock price of $56.12 on January 7, 2005.

Discounted Cash Flow Analysis. Bear Stearns performed an analysis of the present value of the cash flows available to equity holders that ALLTEL could generate over fiscal years 2005 through 2009. For this analysis, Bear Stearns analyzed separately the cash flows for ALLTEL s wireline business and wireless business.

For ALLTEL s wireline business, Bear Stearns applied terminal value multiples ranging from 6.0x to 6.5x (based on the corresponding range of implied perpetual growth rates of free cash flow that Bear Stearns determined to be reasonable) to ALLTEL s wireline business forward EBITDA, based on publicly available research analyst projections. Bear Stearns chose these terminal values multiples based on (i) the implied perpetual growth rates of free cash flow derived from such multiples, (ii) Bear Stearns review of

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trading data for comparable public companies and (iii) Bear Stearns overall experience in valuing wireline companies. The cash flows were then discounted to present value using a WACC of 8.0% (based on a range of unlevered betas between 0.550 and 0.750, determined by observing the betas of selected regional wireline service providers, and debt-to-total capitalization ratios between 20.0% and 50.0%). Based on the foregoing, Bear Stearns calculated an implied equity value range for ALLTEL s wireline business of $11.63 to $12.98 per share.

For ALLTEL s wireless business, Bear Stearns applied terminal value multiples ranging from 6.5x to 7.0x (based on the corresponding range of implied perpetual growth rates of free cash flow that Bear Stearns determined to be reasonable) to ALLTEL s wireless business forward EBITDA, based on publicly available research analyst projections. Bear Stearns chose these terminal values multiples based on (i) the implied perpetual growth rates of cash available to equity holders derived from such multiples, (ii) Bear Stearns review of trading data for comparable public companies and (iii) Bear Stearns overall experience in valuing wireless companies. The cash flows were then discounted to present value using a WACC ranging from 9.0% to 9.5% (based on a range of unlevered betas between 0.750 and 0.950, determined by observing the betas of selected regional and national wireless service providers, and debt-to-total capitalization ratios between 20.0% and 50.0%). Based on the foregoing, Bear Stearns calculated an implied equity value range for ALLTEL s wireless business of $41.33 to $44.34 per share.

Bear Stearns then combined the implied equity value ranges for ALLTEL s wireline business and wireless business to calculate an aggregate implied equity value ranges for ALLTEL of $52.96 to $57.32 per share, as compared to ALLTEL s stock price of $56.12 on January 7, 2005.

Merger Consequences

Synergies. Bear Stearns reviewed ALLTEL management s estimates of the potential operating expense synergies resulting from the merger. These estimates were prepared by ALLTEL s management, assumed upfront costs associated with the merger of $100 million and estimated potential operating expense synergies ranging from $50 million in 2006 to $80 million in 2009. Based on this information, Bear Stearns estimated that the net present value to ALLTEL of the potential synergies in the merger would be approximately $694.9 million to $908.5 million.

Discounted Cash Flow Accretion/Dilution Analysis. Bear Stearns range of assumptions for each of the Western Wireless and ALLTEL discounted cash flow analyses (using different terminal values and discount rates) caused multiple outcomes when assessing the consideration received by Western Wireless shareholders in the merger. Bear Stearns used the stand-alone discounted cash flow analyses of Western Wireless and ALLTEL to calculate a low to high range of implied values of the consideration to be received by Western Wireless shareholders from ALLTEL. This range of values was then compared to the respective low to high range of Western Wireless stand-alone discounted cash flow analyses implied per share values to assess the accretion or dilution that the Western Wireless shareholders could potentially experience. The analysis was performed assuming both synergies and no synergies from the merger and with the Case 1 and Case 2 projections:

	Case 1			
	No Synergies		**With Synergies**	
Western Wireless Shareholder Value Accretion/(Dilution):				
Western Wireless:ALLTEL Western Wireless:ALLTEL				
Low:Low High:High	8.2%	4.5%	11.4%	7.4%
Low:High High:Low	14.0%	(0.7%)	17.2%	2.2%

As illustrated above, under Case 1, Bear Stearns concluded that in every possible combination, the merger is projected to be accretive to Western Wireless shareholder value, except in one case which was projected to be mildly dilutive to Western Wireless shareholder value.

	Case 2			
	No Synergies		**With Synergies**	
Western Wireless Shareholder Value Accretion/(Dilution):				
Western Wireless:ALLTEL Western Wireless:ALLTEL				
Low:Low High:High	(7.9%)	(10.7%)	(5.3%)	(8.3%)
Low:High High:Low	(3.1%)	(15.0%)	(0.5%)	(12.6%)

As illustrated above, under Case 2, Bear Stearns concluded that in every possible combination, the merger is projected to be dilutive to Western Wireless shareholder value.

Relative Contribution Analysis. Bear Stearns performed a contribution analysis, assuming no synergies, showing the percentages of net income, EBITDA and free cash flow (EBITDA less capital expenditures) that are estimated to be contributed by Western Wireless and ALLTEL to the pro forma results for the combined company for fiscal years 2004 through 2007 under each of Case 1 and Case 2 for Western Wireless. The following tables set forth the results of such analysis:

	Net Income Contribution			
	2004E	**2005P**	**2006P**	**2007P**
Case 1				
Western Wireless	13.6%	18.1%	20.2%	21.3%
ALLTEL	86.4%	81.9%	79.8%	78.7%

	EBITDA Contribution			
	2004E	**2005P**	**2006P**	**2007P**
Western Wireless	16.1%	18.3%	20.4%	22.0%
ALLTEL	83.9%	81.7%	79.6%	78.0%

	Free Cash Flow Contribution			
	2004E	**2005P**	**2006P**	**2007P**
Western Wireless	12.3%	25.4%	26.2%	28.1%
ALLTEL	87.7%	74.6%	73.8%	71.9%

	Net Income Contribution			
	2004E	**2005P**	**2006P**	**2007P**
Case 2				
Western Wireless	16.4%	22.6%	27.5%	30.0%

ALLTEL	83.6%	77.4%	72.5%	70.0%

	EBITDA Contribution			
	2004E	**2005P**	**2006P**	**2007P**
Western Wireless	16.1%	19.0%	22.0%	24.1%
ALLTEL	83.9%	81.0%	78.0%	75.9%

	Free Cash Flow Contribution			
	2004E	**2005P**	**2006P**	**2007P**
Western Wireless	12.4%	17.0%	21.5%	22.8%
ALLTEL	87.9%	83.0%	78.5%	77.2%

The percentage of net income, set forth in the above table that is estimated to be contributed to the pro forma combined company by Western Wireless was then compared to the 19.3% interest that Western Wireless common shareholders will have in ALLTEL s equity value (assuming that Western Wireless was acquired entirely with ALLTEL stock). Further, the percentages of EBITDA and free cash flow

(EBITDA less capital expenditures) set forth in the tables above that are estimated to be contributed to the pro forma combined company by Western Wireless were compared to the 22.3% interest that Western Wireless common shareholders will have in ALLTEL s enterprise value (assuming that Western Wireless was acquired entirely with ALLTEL stock).

Bear Stearns also performed a contribution analysis, assuming operating expense synergies, showing the percentage of net income, EBITDA and free cash flow (EBITDA less capital expenditures) that will be contributed by Western Wireless and ALLTEL to the pro forma results for the combined company for fiscal years 2004 through 2007 under each of Case 1 and Case 2 for Western Wireless. The results of this analysis did not materially differ from the results of the contribution analysis, assuming no synergies, shown above.

Pro Forma Financial Analysis. Bear Stearns analyzed the potential pro forma impact of the merger on ALLTEL s estimated earnings per share for fiscal years 2005 through 2007, based on publicly available research analyst projections. Under Case 1 for Western Wireless, Bear Stearns noted that the merger would be accretive to ALLTEL s projected earnings per share in 2006 and 2007 with and without estimated synergies. Under Case 2 for Western Wireless, Bear Stearns noted that the merger would be accretive to ALLTEL s projected earnings per share in 2005, 2006 and 2007 with and without estimated synergies.

In connection with rendering its opinion, Bear Stearns performed a variety of financial analyses. The preparation of a fairness opinion involves various determinations as to the most appropriate and relevant methods of financial analysis and the application of these methods to the particular circumstances and, therefore, such an opinion is not readily susceptible to a partial analysis or summary description. Bear Stearns arrived at its ultimate opinion based on the results of all analyses undertaken by it and assessed as a whole and believes that the totality of the factors considered and analyses performed by Bear Stearns in connection with its opinion operated collectively to support its determination as to the fairness of the merger consideration to the shareholders of Western Wireless. Accordingly, notwithstanding the analyses summarized above, Bear Stearns believes that its analyses must be considered as a whole and that selecting portions of the analyses and factors considered by them, without considering all such analyses and factors, or attempting to ascribe relative weights to some or all such analyses and factors, could create an incomplete view of the evaluation process underlying the Bear Stearns opinion. Bear Stearns did not assign any specific weight to any of the analyses described above and did not draw any specific conclusions from or with regard to any one method of analysis.

In performing its analyses, Bear Stearns considered industry performance, general business and economic conditions and other matters, many of which are beyond the control of Western Wireless, ALLTEL and Bear Stearns. The analyses performed by Bear Stearns are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than suggested by such analyses. Accordingly, such analyses are inherently subject to substantial uncertainty.

The type and amount of consideration payable in the merger were determined through negotiations between Western Wireless and ALLTEL and approved by the Western Wireless board of directors. Bear Stearns did not express any opinion as to the price or range of prices at which the shares of common stock of Western Wireless and ALLTEL may trade subsequent to the announcement or consummation of the merger. Bear Stearns also did not express any opinion as to the fairness of the merger consideration to the holders of Western Wireless common stock who properly exercise dissenters rights. The decision to enter into the merger agreement was solely that of the Western Wireless board of directors. The analyses do not purport to be appraisals or to reflect the prices at which any securities may trade at the present time or at any time in the future. In addition, the Bear Stearns opinion was just one of the many factors taken into consideration by Western Wireless board of directors. Consequently, Bear Stearns analysis should not be viewed as determinative of the decision of Western Wireless board of directors or Western Wireless management with respect to the fairness of the merger consideration.

Bear Stearns is an internationally recognized investment banking firm and is continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements, leveraged buyouts and valuations for estate, corporate and other purposes.

Bear Stearns was selected by the Western Wireless board of directors to act as Western Wireless financial advisor and to render a fairness opinion because of its expertise and reputation in investment banking and mergers and acquisitions and its familiarity with Western Wireless, ALLTEL and the wireless industry. Bear Stearns will receive an aggregate fee for such services of approximately $22 million, of which $2 million was payable upon delivery of Bear Stearns fairness opinion and approximately $20 million is contingent on successful consummation of the merger. Western Wireless also agreed to reimburse Bear Stearns for certain out-of-pocket expenses incurred in connection with the engagement, including the reasonable fees of and disbursements to its legal counsel. In addition, Western Wireless agreed to indemnify Bear Stearns against certain liabilities, including liabilities under the federal securities laws, relating to or arising out of its engagement.

Bear Stearns had been previously engaged by Western Wireless to provide certain investment banking and financial advisory services, but has not received any compensation for such services during the past two years. In addition, during the past two years, Bear Stearns has not provided investment banking or financial advisory services to ALLTEL. In the ordinary course of business, Bear Stearns and its affiliates may actively trade the equity and debt securities and/or bank debt of Western Wireless and ALLTEL for its own account and for the account of its customers and, accordingly, may at any time hold a long or short position in such securities or bank debt.

ALLTEL s Reasons for the Merger

The board of directors of ALLTEL met several times to review the merger and unanimously approved the merger agreement on January 9, 2005 after ALLTEL s senior management discussed with the board of directors the potential benefits and risks of the transaction. The ALLTEL board of directors believes the merger will provide ALLTEL a number of opportunities and benefits, including as follows. As a result of the merger, ALLTEL expects to increase its wireless revenue mix from approximately 60 percent to nearly 70 percent of its total consolidated revenues. ALLTEL will achieve additional scale by adding approximately 1.3 million domestic wireless customers (excluding reseller customers) in 19 midwestern and western states that are contiguous to ALLTEL s existing wireless properties, increasing the number of wireless customers served by ALLTEL to more than 10 million customers in 33 states. ALLTEL also will add approximately 1.6 million international wireless customers in six countries. In addition, the merger will permit ALLTEL to increase its retail position in these domestic, rural markets where it can leverage ALLTEL s brand and marketing experience and bring significant value to customers by offering competitive national rate plans. ALLTEL also will diversify its wireless roaming revenue sources and, as a result of offering multiple technologies, ALLTEL will become a leading independent roaming partner for the four national carriers in the markets served by ALLTEL. ALLTEL also will enhance its strategic options as the wireless industry continues to restructure while preserving ALLTEL s strong financial position. Finally, ALLTEL expects that centralized operations costs and interest expense for the combined company will be lower than those costs and expenses for the two companies operating independently.

In addition to the foregoing potential benefits of the merger, the ALLTEL board of directors considered the potential risks of the transaction, including as follows. The merger is subject to various regulatory approval processes and accordingly there is a possibility that the merger could not be completed on a timely basis or receive all necessary regulatory approvals without conditions. Roaming revenues are a material source of Western Wireless revenues and the sustainability of such revenues depends on whether Western Wireless roaming partners choose to continue under applicable roaming agreements to use Western Wireless networks to roam or build out their networks in the Western Wireless markets following the merger. ALLTEL has limited experience deploying or maintaining a GSM network or operating in developing countries that face significant political, social, and economic uncertainties. Finally, following the merger, the expected cost reductions and interest savings may not be achieved.

The ALLTEL board of directors considered the above factors together with various other factors when approving the merger agreement. The ALLTEL board did not assign relative weights to the above factors or the other factors considered by it. Further, individual members of the ALLTEL board may have given different weight to different factors.

Interests of Certain Persons in the Merger

In considering the recommendation of Western Wireless board of directors with respect to the merger, Western Wireless shareholders should be aware that some of Western Wireless directors and executive officers may have interests in the merger that are different from, or in addition to, the interests of Western Wireless shareholders generally. The Western Wireless board of directors was aware of these interests and considered them in approving the merger agreement and the merger.

ALLTEL Board Seat. Following the effective time of the merger, John W. Stanton, Western Wireless chairman and chief executive officer, is expected to be elected, for a three year term, by the directors of ALLTEL to fill a vacancy on the ALLTEL board of directors.

Director and Officer Indemnification. Under the terms of the merger agreement, ALLTEL has agreed that all rights to exculpation and indemnification for acts occurring prior to the merger in Western Wireless articles of incorporation or by-laws, or in any indemnification agreement, in favor of persons who were Western Wireless directors or officers will survive for a period of six years following the merger. ALLTEL also agreed that for a period of six years following the merger, ALLTEL will indemnify the former directors, officers or employees of Western Wireless to the fullest extent permitted by applicable law. The merger agreement further requires that, for six years following the effective time of the merger, subject to certain limitations, the surviving company maintain coverage under a director and officer liability insurance policy, with respect to claims arising from facts or events that occurred on or before the effective time of the merger, at a level at least equal to that which Western Wireless is maintaining for its officers and directors prior to the merger.

Treatment of Equity Awards. The merger agreement provides that at the effective time of the merger, each outstanding unexpired and unexercised option to purchase a share of Western Wireless common stock will be converted into an option to purchase a fraction of a share of ALLTEL common stock equal to the sum of (i) 0.535, plus (ii) the fraction resulting from dividing $9.25 by the closing price of ALLTEL common stock on the NYSE on the last trading day preceding the closing of the merger. Under Western Wireless existing stock option agreements with its directors and certain of its officers, if during the one year period following completion of the merger the optionee s employment is involuntarily terminated for any reason other than death, disability or cause, or the optionee terminates his or her employment for good reason, the optionee s options will, to the extent not already vested, become fully vested and exercisable immediately prior to the merger. The stock option agreements define good reason as: (i) the assignment to the optionee of duties, or limitation of the optionee s responsibilities, inconsistent with his or her title, position, duties, responsibilities and status with Western Wireless immediately prior to the completion of the merger, (ii) the failure to pay, or reduction in, the optionee s compensation, (iii) the relocation of the optionee s place of employment, and (iv) the breach by the optionor of any material provision of the option agreement. Under the foregoing terms of the existing option agreements all unvested options of Western Wireless directors and executive officers would generally be accelerated upon or shortly after the merger. Accordingly, Western Wireless and ALLTEL agreed in the merger agreement that Western Wireless would be permitted to amend the existing stock option agreements with directors and executive officers to provide explicitly that all of their options will, to the extent not already vested, become fully vested and exercisable immediately prior to consummation of the merger. It is anticipated that the Compensation Committee of Western Wireless board of directors will take such action prior to the consummation of the merger. Assuming that at the completion of the merger the value of a share of ALLTEL common stock is $. , which was the price of a share of ALLTEL common stock on the NYSE on , 2005, the value of the unvested options held by Western Wireless directors and executive officers subject to these agreements (which, if the above-described circumstances occur, would become fully vested and exercisable) would be as follows:

Directors and Executive Officers	**Position**	**Value of Options**
John W. Stanton	Chairman, Director and Chief Executive Officer	
Donald Guthrie	Vice Chairman	
Theresa E. Gillespie	Vice Chairman and Director	
John L. Bunce, Jr.	Director	
Mitchell R. Cohen	Director	
Daniel J. Evans	Director	
Jonathan M. Nelson	Director	
Peggy V. Phillips	Director	
Peter H. Van Oppen	Director	
Mikal J. Thomsen	President and Director	
Eric Hertz	Chief Operating Officer	
M. Wayne Wisehart	Executive Vice President and Chief Financial Officer	
Bradley J. Horwitz	Executive Vice President and President, Western Wireless International	
Gerald J. Jerry Baker	Senior Vice President	
Jeffrey A. Christianson	Senior Vice President, General Counsel and Secretary	
Thorpe M. Chip Kelly, Jr.	Senior Vice President	
Scott A. Soley	Vice President and Controller (Chief Accounting Officer)	

Retention Pool. The merger agreement provides for Western Wireless to establish a $20 million retention pool for retaining the services of key Western Wireless employees, including executive officers, pursuant to which Western Wireless adopted a Retention Bonus Plan on February 8, 2005. Western Wireless most senior executive officers (its chairman and chief executive officer, two vice chairmen, president and president international) will not, however, participate in the Retention Bonus Plan. Under the Retention Bonus Plan, executive officers of Western Wireless will be eligible to receive a cash retention bonus equal to 12 months of their monthly base salary, 50% of which will be paid at the next payroll period after the completion of the merger and 50% of which will be paid at the next payroll period following the date that is six months thereafter, subject to the executive officer s continued employment with ALLTEL or Western Wireless through such dates. The retention bonuses will be paid regardless of whether the merger is consummated. If the merger agreement is terminated, executive officers will be paid 50% of their retention bonus at the next payroll period after the one-month anniversary of the termination and 50% at the next payroll period after the seven-month anniversary of the termination, subject to each executive officer s continued employment with Western Wireless through such payment dates. The Retention Bonus Plan also provides other employees with cash retention bonuses of varying amounts payable at different intervals. If the employment of a participant in the Retention Bonus Plan is terminated by Western Wireless or its successor without cause or terminated by the participant for good reason (defined in the Retention Bonus Plan as a failure to pay, or a reduction in, the participant s compensation, or a relocation of the participant s place of employment) or terminated as a result of death or disability, prior to the scheduled payment date of any retention bonus to which the participant would otherwise have been entitled if the participant had remained employed until such payment date, the participant will receive the full amount of his or her cash retention bonus at the next payroll period after such termination of employment. Participants who voluntarily resign without good reason or whose employment is terminated for cause will not receive any cash retention bonus that had not already been paid. ALLTEL has agreed to honor the terms of the Retention Bonus Plan following the completion of the merger. The Retention Bonus Plan will be administered by John W. Stanton, Western Wireless chairman and chief executive officer, or his designee.

The amount to be received by those Western Wireless executive officers participating in the Retention Bonus Plan would be as follows:

Executive Officer		Retention Amount
Eric Hertz	$	325,000
M. Wayne Wisehart	$	240,000
Gerald J. Jerry Baker	$	182,000
Jeffrey A. Christianson	$	220,000
Thorpe M. Chip Kelly, Jr.	$	168,000
Scott A. Soley	$	140,200

Severance Program. The merger agreement requires ALLTEL to honor Western Wireless severance program, set forth in a Severance Plan adopted by Western Wireless on February 8, 2005, under which all employees as of January 10, 2005, including executive officers, will be entitled to certain benefits in the event of a qualifying termination of their employment within two years after the merger. Under the Severance Plan, the severance payments for executive officers will be equal to one year of such executive officer s total compensation (base salary and target bonus). Severance payments will be paid if the employment of a participant is terminated by Western Wireless or its successor without cause or terminated by the participant for good reason (defined in the Severance Plan as a failure to pay, or a reduction in, the participant s compensation, or a relocation of the participant s place of employment) during the two year period following the closing of the merger. Participants who voluntarily resign without good reason or whose employment is terminated for cause will not receive any severance payments. The Severance Plan also provides other employees with severance payments of varying amounts payable upon a qualifying termination. If a Severance Plan participant is entitled to greater benefits under any agreement with Western Wireless which provides for severance pay, he or she would be paid in accordance with such agreement and not under the Severance Plan. None of the executive officers who have employment agreements with Western Wireless are entitled to severance payments of greater than one year of total compensation under such employment agreements. No severance payments will be made under the Severance Plan in the event the merger is not consummated. Mr. Stanton (or his designee) will also administer the Severance Plan.

The Retention Bonus Plan and Severance Program are described in greater detail under the heading The Merger Agreement Covenants Stock Options; Employee Stock Purchase Plan; Employee Matters; Retention Bonus Plan; and Severance Program.

Stock Exchange Listing

ALLTEL has received authorization, subject to official notice of issuance, from the NYSE for the listing of ALLTEL common stock issuable pursuant to the merger in exchange for Western Wireless common stock. The trading symbol for ALLTEL common stock is AT. Following the merger, Western Wireless shareholders will no longer be able to trade shares of Western Wireless Class A common stock on the Nasdaq Stock Market or any other exchange because the existing Western Wireless common stock will cease to exist and therefore will no longer be listed on any exchange.

Resale of Shares of ALLTEL Common Stock Issued In The Merger

Shares of ALLTEL common stock received in the merger by Western Wireless shareholders generally will be freely transferable, except that ALLTEL shares of common stock received by persons who are deemed to be affiliates of Western Wireless under the Securities Act of 1933 at the time of the annual meeting may be resold by them only in transactions permitted by Rule 145 under the Securities Act or as

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otherwise permitted under the Securities Act. Persons who may be deemed to be affiliates of Western Wireless for these purposes generally include individuals or entities that control, are controlled by, or are under common control with, Western Wireless, and include Western Wireless directors and executive officers. In accordance with the merger agreement, Western Wireless caused each of its affiliates to deliver to ALLTEL on or prior to the mailing of this proxy statement a signed agreement to the effect that the affiliate will not sell, transfer or dispose of any ALLTEL shares of common stock issued to the affiliate in the merger unless such sale, transfer or disposition has been registered under the Securities Act, is made in compliance with Rule 145 or will not violate or is otherwise exempt from registration under the Securities Act.

Accounting Treatment

The merger will be accounted for as a purchase, as that term is used under United States generally accepted accounting principles (GAAP), for accounting and financial reporting purposes. Western Wireless will be treated as the acquired corporation for accounting and financial reporting purposes. Western Wireless assets, liabilities and other items will be adjusted to their estimated fair value on the closing date of the merger and combined with the historical book values of the assets and liabilities of ALLTEL. Applicable income tax effects of these adjustments will be included as a component of the combined company s deferred tax asset or liability. The difference between the estimated fair value of the assets, liabilities and other items (adjusted as discussed above) and the purchase price will be recorded as goodwill. Financial statements of ALLTEL issued after the merger will reflect the values and will not be restated retroactively to reflect the historical financial position or results of operations of Western Wireless.

Material United States Federal Income Tax Consequences of the Merger

The following discussion addresses the material United States federal income tax consequences of the merger to holders of Western Wireless common stock. The discussion is based on provisions of the Internal Revenue Code of 1986, as amended (which we refer to as the Code), Treasury regulations, administrative rulings and judicial decisions, all as currently in effect and all of which are subject to change, possibly with retroactive effect, and to differing interpretations. This discussion applies only to Western Wireless shareholders that hold their Western Wireless common stock as a capital asset within the meaning of Section 1221 of the Code, each of which we refer to in this section as a holder. Further, this discussion does not address all aspects of United States federal income taxation that may be relevant to a particular holder in light of its personal circumstances or to holders subject to special treatment under the United States federal income tax laws, including, for example:

- banks or other financial institutions,
- tax-exempt organizations,
- insurance companies,
- dealers in securities or foreign currency,
- traders in securities who elect to apply a mark-to-market method of accounting,
- pass-through entities and investors in such entities,
- foreign persons, foreign entities and U.S. expatriates,
- persons whose functional currency is not the U.S. dollar,
- holders who received their Western Wireless common stock through the exercise of employee stock options, through a tax-qualified retirement plan or otherwise as compensation, and

holders who hold Western Wireless common stock as part of a hedge, straddle, constructive sale, conversion transaction or other integrated investment.

In addition, the discussion does not address any alternative minimum tax or any state, local or foreign tax consequences of the merger.

Holders of Western Wireless common stock should consult their tax advisors with respect to the particular tax consequences of the merger to such holders.

Skadden, Arps, Slate, Meagher & Flom LLP, counsel to ALLTEL, has delivered to ALLTEL its legal opinion, attached as Exhibit 8.1 to this Registration Statement, and Jones Day, counsel to Western Wireless, has delivered to Western Wireless its legal opinion, attached as Exhibit 8.2 to this Registration Statement, each substantially to the effect that, on the basis of the facts, assumptions, and representations set forth in each of such opinions and the representations and covenants set forth in certificates obtained from officers of ALLTEL and Western Wireless, respectively, the merger will be treated as a reorganization within the meaning of Section 368(a) of the Code and each of ALLTEL and Western Wireless will be treated as a party to the reorganization within the meaning of Section 368(b) of the Code. In addition, the completion of the merger is conditioned upon the delivery by each of Jones Day or Wachtell, Lipton, Rosen & Katz, counsel to Western Wireless, and Skadden, Arps, Slate, Meagher & Flom LLP, counsel to ALLTEL, of legal opinions substantially to the same effect. None of these opinions will be binding on the Internal Revenue Service or the courts, and neither ALLTEL nor Western Wireless intends to request a ruling from the Internal Revenue Service regarding the United States federal income tax consequences of the merger. Consequently, no assurance can be given that the Internal Revenue Service will not assert, or that a court would not sustain, a position contrary to the opinions or to the discussion set forth below. In addition, if any of the representations, assumptions or covenants upon which such opinions are based are inconsistent with the actual facts, the United States federal income tax consequences of the merger could be adversely affected. The remainder of this discussion is based on the opinions of Skadden, Arps, Slate, Meagher & Flom LLP and Jones Day, attached as Exhibits 8.1 and 8.2 to this Registration Statement, respectively.

The United States federal income tax consequences of the merger to a holder generally will depend on whether the holder exchanges its Western Wireless common stock for cash, for ALLTEL common stock or for a combination of cash and ALLTEL common stock.

Exchange Solely for Cash. In general, if, pursuant to the merger, a holder exchanges all of the shares of Western Wireless common stock actually owned by it solely for cash, that holder will recognize gain or loss equal to the difference between the amount of cash received and its adjusted tax basis in the shares of Western Wireless common stock surrendered. Such gain or loss generally will be long-term capital gain or loss if the holder s holding period with respect to the Western Wireless common stock surrendered is more than one year at the effective time of the merger. If, however, the holder constructively owns shares of Western Wireless common stock that are exchanged for shares of ALLTEL common stock in the merger or owns shares of ALLTEL common stock actually or constructively after the merger, the consequences to that holder may be similar to the consequences described below under the heading Exchange for ALLTEL Common Stock and Cash, except that the amount of consideration, if any, deemed to be a dividend may not be limited to the amount of that holder s gain.

Exchange Solely for ALLTEL Common Stock. If, pursuant to the merger, a holder exchanges all of the shares of Western Wireless common stock actually owned by it solely for shares of ALLTEL common stock, that holder will not recognize any gain or loss except in respect of cash received instead of a fractional share of ALLTEL common stock (as discussed below). The aggregate adjusted tax basis of the shares of ALLTEL common stock received in the merger (including fractional shares deemed received and redeemed as discussed below) will be equal to the aggregate adjusted tax basis of the shares of Western Wireless common stock surrendered for the ALLTEL common stock, and a holder s holding period of the ALLTEL common stock (including fractional shares deemed received and redeemed as discussed below) will include the period during which the shares of Western Wireless common stock surrendered were held.

Exchange for ALLTEL Common Stock and Cash. If, pursuant to the merger, a holder exchanges all of the shares of Western Wireless common stock actually owned by it for a combination of ALLTEL common stock and cash, the holder will generally recognize gain (but not loss) in an amount equal to the lesser of (1) the amount of gain realized (that is, the excess of the sum of the amount of cash and the fair market value of the ALLTEL common stock received pursuant to the merger over that holder s adjusted tax basis in its shares of Western Wireless common stock surrendered) and (2) the amount of cash received pursuant to the merger. For this purpose, gain or loss must be calculated separately for each identifiable block of shares surrendered in the exchange, and a loss realized on one block of shares may not be used to offset a gain realized on another block of shares. Holders should consult their tax advisors regarding the manner in which cash and ALLTEL common stock should be allocated among different blocks of Western Wireless common stock. Any recognized gain will generally be long-term capital gain if the holder s holding period with respect to the Western Wireless common stock surrendered is more than one year at the effective time of the merger. If, however, the cash received has the effect of the distribution of a dividend, the gain will be treated as a dividend to the extent of the holder s ratable share of accumulated earnings and profits as calculated for United States federal income tax purposes. See Possible Treatment of Cash as a Dividend below.

The aggregate tax basis of ALLTEL common stock received (including fractional shares deemed received and redeemed as discussed below) by a holder that exchanges its shares of Western Wireless common stock for a combination of ALLTEL common stock and cash pursuant to the merger will be equal to the aggregate adjusted tax basis of the shares of Western Wireless common stock surrendered for ALLTEL common stock and cash, reduced by the amount of cash received by the holder pursuant to the merger (excluding any cash received instead of a fractional share of ALLTEL common stock) and increased by the amount of gain, if any, recognized by the holder on the exchange (including any portion of the gain that is treated as a dividend as discussed below, but excluding any gain or loss resulting from the deemed receipt and redemption of fractional shares as discussed below). A holder s holding period of the ALLTEL common stock (including fractional shares deemed received and redeemed as discussed below) will include such holder s holding period of the shares of Western Wireless common stock surrendered.

Possible Treatment of Cash as a Dividend. In general, the determination of whether the gain recognized in the merger exchange will be treated as capital gain or has the effect of a distribution of a dividend depends upon whether and to what extent the exchange reduces the holder s deemed percentage stock ownership of ALLTEL. For purposes of this determination, the holder is treated as if it first exchanged all of its shares of Western Wireless common stock solely for ALLTEL common stock and then ALLTEL immediately redeemed, which we refer to in this document as the deemed redemption, a portion of the ALLTEL common stock in exchange for the cash the holder actually received. The gain recognized in the deemed redemption will be treated as capital gain if the deemed redemption is (1) substantially disproportionate with respect to the holder or (2) not essentially equivalent to a dividend.

The deemed redemption will generally be substantially disproportionate with respect to a holder if the percentage described in (2) below is less than 80% of the percentage described in (1) below. Whether the deemed redemption is not essentially equivalent to a dividend with respect to a holder will depend upon the holder s particular circumstances. At a minimum, however, in order for the deemed redemption to be not essentially equivalent to a dividend, the deemed redemption must result in a meaningful reduction in the holder s deemed percentage stock ownership of ALLTEL. In general, that determination requires a comparison of (1) the percentage of the outstanding stock of ALLTEL that the holder is deemed actually and constructively to have owned immediately before the deemed redemption and (2) the percentage of the outstanding stock of ALLTEL that is actually and constructively owned by the holder immediately after the deemed redemption. In applying the above tests, a holder may, under the constructive ownership rules, be deemed to own stock that is owned by other persons or stock underlying a holder s option to purchase such stock in addition to the stock actually owned by the holder.

The Internal Revenue Service has ruled that a shareholder in a publicly held corporation whose relative stock interest is minimal and who exercises no control with respect to corporate affairs is generally considered to have a meaningful reduction if that shareholder has any reduction in its percentage stock ownership under the above analysis. Accordingly, the gain recognized in the exchange by such a shareholder would be treated as capital gain.

These rules are complex and dependent upon the specific factual circumstances particular to each holder. Consequently, each holder that may be subject to these rules should consult its tax advisor as to the application of these rules to the particular facts relevant to such holder.

Cash Received Instead of a Fractional Share. A holder who receives cash instead of a fractional share of ALLTEL common stock will generally be treated as having received such fractional share and then as having received such cash in redemption of the fractional share. Gain or loss generally will be recognized based on the difference between the amount of cash received instead of the fractional share and the portion of the holder s aggregate adjusted tax basis of the shares of Western Wireless common stock exchanged in the merger which is allocable to the fractional share. Such gain or loss generally will be long-term capital gain or loss if the holding period for such shares of Western Wireless common stock is more than one year at the effective time of the merger.

Reporting Requirements. A holder of Western Wireless common stock receiving ALLTEL common stock as a result of the merger is required to retain records related to such holder s Western Wireless common stock and file with its United States federal income tax return a statement setting forth facts relating to the merger.

Backup Withholding and Information Reporting. Payments of cash to a holder of Western Wireless common stock may, under certain circumstances, be subject to information reporting and backup withholding at a rate of 28% of the cash payable to the holder, unless the holder provides proof of an applicable exemption satisfactory to ALLTEL and the exchange agent or furnishes its taxpayer identification number, and otherwise complies with all applicable requirements of the backup withholding rules. Any amounts withheld from payments to a holder under the backup withholding rules are not additional tax and will be allowed as a refund or credit against the holder s United States federal income tax liability, provided the required information is furnished to the Internal Revenue Service on a timely basis.

Regulatory/Third Party Matters

Antitrust Authorities. As a condition to the merger, the HSR Act requires Western Wireless and ALLTEL to observe the HSR Act s notification and waiting periods. Western Wireless and ALLTEL each filed notification and report forms with the DOJ and the FTC on January 24, 2005. On February 23, 2005, Western Wireless and ALLTEL each received an additional request for information and documentary materials (a Second Request) from the DOJ. The HSR Act provides that the transaction may not close during a waiting period of 30 calendar days following certification by Western Wireless and ALLTEL that they have substantially complied with the Second Request.

Federal Communications Commission. In order to obtain required FCC approvals, Western Wireless, each of Western Wireless subsidiaries that holds authorizations from the FCC that need to be transferred, and ALLTEL are required to file applications with the FCC seeking approval of the transfer of control to ALLTEL of the FCC licenses and authorizations held by Western Wireless and its subsidiaries. On January 24, 2005, Western Wireless and ALLTEL jointly filed such applications seeking the requisite FCC approvals. A condition to the obligation of ALLTEL and Western Wireless to complete the merger is that the requisite FCC consents be granted without any conditions other than conditions of the sort that the parties are required to fulfill (if imposed) by the merger agreement, and that all FCC consents be in full force and effect as of the date of completion of the merger.

In addition, Western Wireless and ALLTEL must make certain filings and registrations with, and seek, consents, permits, authorizations and approvals from, state or foreign governmental entities, including, without limitation, such entities regulating competition and telecommunications businesses.

Commitment to Obtain Approvals. Western Wireless and ALLTEL have agreed to use all reasonable efforts to obtain all consents and approvals of any governmental entity or third party required in connection with the merger. Any regulator could object to the merger and/or impose conditions or restrictions on their approvals that are materially adverse to ALLTEL and Western Wireless.

Under the terms of the merger agreement, Western Wireless and ALLTEL are obligated to use all reasonable efforts to resolve any such objections by a regulator to permit the merger. In no event will ALLTEL be required to, nor will Western Wireless be permitted to, agree to any condition imposed by a regulator that would require ALLTEL to divest itself of any businesses, assets or product lines, including any businesses, assets or product lines it acquires from Western Wireless following completion of the merger, except that ALLTEL is required to, and Western Wireless is permitted to, agree to divest spectrum licenses or systems assets of itself or any of its subsidiaries, and agree to the imposition of any limitation upon such licenses, assets or operations, in any service area in which there is a spectrum overlap where at least one of the parties or their respective subsidiaries holds a cellular license in the 850 MHz spectrum band. In connection with the foregoing, subject to the requirements of the relevant regulator in connection with the foregoing, solely as between ALLTEL and Western Wireless, ALLTEL has the right to determine which assets are divested or which licenses become subject to limitation and make all determinations with respect to the terms of any such divestiture or limitation, provided that neither ALLTEL nor Western Wireless, nor any of their respective subsidiaries, shall be required to make any divestiture or agree to any limitation that is not conditioned upon occurrence of the closing of the merger. If conditions or restrictions that ALLTEL is not obligated to agree to under the merger agreement are imposed by a regulator, ALLTEL may waive its rights and take actions that it is not otherwise required to take in connection with receipt of the necessary regulatory approvals, to proceed with the completion of the merger.

Delisting and Deregistration of Western Wireless Common Stock

If the merger is completed, the shares of Western Wireless Class A common stock will be delisted from the Nasdaq Stock Market and deregistered under the Securities Exchange Act of 1934, as amended. Consequently, following completion of the merger, Western Wireless shareholders will no longer be able to trade shares of Western Wireless Class A common stock on the Nasdaq Stock Market.

Litigation Regarding the Merger

Western Wireless, its directors, and ALLTEL are named as defendants in a lawsuit brought in the Superior Court of the State of Washington, County of King at Seattle, arising out of the proposed merger. The complaint alleges, among other things, that the directors of Western Wireless breached their fiduciary duties in approving the merger, and as a result the shareholders of Western Wireless will be irreparably harmed in that they will not receive their fair portion of the value of Western Wireless assets and business and will be prevented from obtaining a fair price for their Western Wireless shares. The complaint also alleges, among other things, that Western Wireless and ALLTEL have aided and abetted the alleged breaches of fiduciary duties by Western Wireless directors. The complaint is brought on behalf of a purported class of all holders of Western Wireless stock who will allegedly be harmed by defendants actions. The complaint seeks various forms of injunctive relief, including, among other things: decreeing that the merger agreement is unlawful and unenforceable, directing the individual defendants to obtain a transaction which is in the best interests of Western Wireless shareholders until the process for the sale or auction of Western Wireless is completed and the highest possible price is obtained, and rescinding the merger to the extent implemented. Western Wireless and ALLTEL each believes that the allegations of the complaint are without merit.

THE MERGER AGREEMENT

The following is a summary of selected material provisions of the merger agreement. This summary is qualified in its entirety by reference to the merger agreement, which is incorporated by reference in its entirety and attached to this proxy statement/ prospectus as Annex A. We urge you to read the merger agreement in its entirety. The merger agreement has been included to provide you with information regarding its terms. It is not intended to provide any other factual information about ALLTEL or Western Wireless. Such information can be found elsewhere in this proxy statement/ prospectus and in the other public filings each of ALLTEL and Western Wireless makes with the Securities and Exchange Commission, which are available without charge at www.sec.gov.

The merger agreement contains representations and warranties ALLTEL and Western Wireless made to each other. The assertions embodied in those representations and warranties are qualified by information in confidential disclosure schedules that ALLTEL and Western Wireless have exchanged in connection with signing the merger agreement. While we do not believe that they contain information securities laws require us to publicly disclose other than information that has already been so disclosed, the disclosure schedules do contain information that modifies, qualifies and creates exceptions to the representations and warranties set forth in the attached merger agreement. Accordingly, you should not rely on the representations and warranties as characterizations of the actual state of facts, since they are modified in important part by the underlying disclosure schedules. These disclosure schedules contain information that has been included in ALLTEL s and Western Wireless general prior public disclosures, as well as potential additional non-public information. Moreover, information concerning the subject matter of the representations and warranties may have changed since the date of the agreement, which subsequent information may or may not be fully reflected in the companies public disclosures.

Form of the Merger

If the holders of Western Wireless common stock approve and adopt the merger agreement and the merger and all other conditions to the merger are satisfied or waived, Western Wireless will be merged with and into Merger Sub, a newly formed and wholly-owned subsidiary of ALLTEL. After the merger, Merger Sub will be the surviving entity and the separate corporate existence of Western Wireless will cease. ALLTEL and Western Wireless anticipate that the closing of the merger will occur as promptly as practicable after the approval and adoption of the merger agreement and the merger by the Western Wireless shareholders at the annual meeting and after the satisfaction or waiver of all other conditions described below under the heading The Merger Agreement Conditions to the Merger.

Merger Consideration

The basic consideration in the merger is $9.25 in cash and 0.535 shares of ALLTEL common stock for each share of Western Wireless common stock outstanding immediately prior to completion of the merger, and you are entitled to elect to receive this basic mix. Alternatively, you may elect to receive either $40 in cash or 0.7 shares of ALLTEL common stock by making a cash election or a stock election. THE CASH AND STOCK ELECTIONS ARE SUBJECT TO PRORATION TO PRESERVE AN OVERALL MIX OF $9.25 IN CASH AND APPROXIMATELY, BUT NOT LESS THAN, 0.535 SHARES OF ALLTEL COMMON STOCK FOR ALL OF THE OUTSTANDING SHARES OF WESTERN WIRELESS COMMON STOCK TAKEN TOGETHER. AS A RESULT, EVEN IF YOU MAKE THE ALL CASH OR ALL STOCK ELECTION YOU MAY RECEIVE A PRORATED AMOUNT OF CASH AND ALLTEL COMMON STOCK. Western Wireless shareholders who fail to make an election will be deemed to have made the mixed election. The exchange ratio for the portion of the merger consideration to be paid in ALLTEL common stock will not be adjusted in the event the market price of ALLTEL common stock declines. If the market price of ALLTEL common stock declines after Western Wireless shareholders vote and/or make a merger consideration election, shareholders receiving ALLTEL common stock as a portion of their merger consideration will receive less value than they expected when they voted and/or made their merger consideration election. Neither

ALLTEL nor Western Wireless is permitted to terminate the merger agreement or resolicit the vote of Western Wireless shareholders because of changes in the market prices of their respective common stocks.

Type of Election	**Consideration to be Received per Share of Western Wireless Common Stock**
Mixed	$9.25 in cash and 0.535 shares of ALLTEL common stock
Stock	0.7 shares of ALLTEL common stock, before proration
Cash	$40 in cash, before proration

Western Wireless shareholders will receive shares of ALLTEL common stock, which are traded on the NYSE and the Pacific Stock Exchange under the symbol AT.

Explanation of Proration

The total amount of cash that will be paid to holders of Western Wireless common stock in the merger will be equal to $9.25 multiplied by the total number of shares of Western Wireless common stock outstanding immediately prior to completion of the merger. The overall amount of ALLTEL common stock that will be issued in the merger to holders of Western Wireless common stock will be equal to the product of (x) the number of Western Wireless common shares outstanding immediately prior to the merger and (y) a number between 0.535 and 0.538 (the greater the number of Western Wireless shareholders electing the all stock or all cash elections, the closer this number will be to 0.538 and, conversely, the greater the number of Western Wireless shareholders electing the mixed election, the closer this number will be to 0.535). The stock and cash elections are subject to proration to preserve an overall mix of $9.25 in cash and between 0.535 and 0.538 shares of ALLTEL common stock for all of the outstanding shares of Western Wireless common stock taken together. Therefore, unless the number of stock elections is significantly greater than the number of cash elections, Western Wireless shareholders making the cash election will not receive $40 in cash, but instead will receive a mix of cash and stock calculated to preserve the overall cash and stock mix described above, after taking into account all of the elections made by all of the Western Wireless shareholders. In all cases, the cash election will include at least as much cash as received by shareholders electing the mixed election. Similarly, if the number of stock elections is significantly greater than the number of cash elections, Western Wireless shareholders making the stock election will not receive 0.7 shares of ALLTEL common stock, but instead will receive a mix of cash and stock calculated to preserve the overall cash and stock mix described above, after taking into account all of the elections made by all of the Western Wireless shareholders. In all cases, the stock election will include at least as much stock as received by shareholders electing the mixed election. Western Wireless shareholders who make the mixed election will not be subject to proration.

We illustrate below how the proration mechanism will be used. For ease of reference, we refer to the amount of cash derived by multiplying $9.25 and the number of shares of Western Wireless common stock outstanding immediately prior to the completion of the merger as the aggregate cash amount. THE ILLUSTRATION BELOW ASSUMES THAT NO ADJUSTMENT, AS DESCRIBED BELOW, WOULD BE MADE.

Proration if Too Much Cash is Elected. Unless the number of stock elections is significantly greater than the number of cash elections, Western Wireless shareholders making the cash election will not receive $40 in cash, but instead will receive a mix of cash and stock calculated to preserve the overall cash and stock mix described above in the following way:

Step 1. Derive the available cash election amount: the available cash election amount is the aggregate cash amount less the amount of cash to be paid in respect of shares as to which a valid mixed election is made.

Step 2. Derive the cash election amount: the cash election amount is the product of $40 and the number of shares of Western Wireless common stock as to which a valid cash election is made.

Step 3. Derive the cash proration factor: the cash proration factor equals the available cash election amount divided by the cash election amount.

Step 4. Derive the prorated cash consideration: each share of Western Wireless common stock as to which a valid cash election is made will be converted into the right to receive an amount in cash equal to the product of $40 multiplied by the cash proration factor.

Step 5. Derive the stock consideration: each share of Western Wireless common stock as to which a valid cash election is made will be converted into the right to receive a number of shares of ALLTEL common stock equal to the product of (1) 0.7 and (2) a number equal to one minus the cash proration factor.

Proration if Too Many Shares of ALLTEL Common Stock are Elected. If the number of stock elections is significantly greater than the number of cash elections, Western Wireless shareholders making the stock election will not receive 0.7 shares of ALLTEL common stock, but instead will receive a mix of cash and stock calculated to preserve the overall cash and stock mix described above in the following way:

Step 1. Derive the available cash election amount: the available cash election amount is the aggregate cash amount less the amount of cash to be paid in respect of shares as to which a valid mixed election is made.

Step 2. Derive the cash election amount: the cash election amount is the product of $40 and the number of shares of Western Wireless common stock as to which a valid cash election is made.

Step 3. Derive the excess cash amount: the excess cash amount is the difference between the available cash election amount and the cash election amount.

Step 4. Derive the prorated cash consideration: each share of Western Wireless common stock as to which a valid stock election is made will receive an amount in cash equal to the excess cash amount divided by the number of shares of Western Wireless common stock as to which a valid stock election is made.

Step 5. Derive the stock proration factor: the stock proration factor is a fraction the numerator of which is $40 minus the per share cash consideration calculated in Step 4 and the denominator of which is $40.

Step 6. Derive the prorated stock consideration: each share of Western Wireless common stock as to which a valid stock election is made will be converted into the right to receive a number of shares of ALLTEL common stock equal to the product of (1) 0.7 and (2) the stock proration factor.

Examples of Proration

If the cash election of Western Wireless shareholders is oversubscribed, we would calculate the cash proration factor as illustrated above under the heading Proration if Too Much Cash is Elected. Assuming that the cash proration factor is 0.6, then if you own 100 shares of Western Wireless common stock and make the cash election, you would receive:

the amount of cash equal to 0.6 multiplied by $40, multiplied by the number of shares of Western Wireless common stock you hold, or 100, for a total of $2,400 in cash; and

the number of shares of ALLTEL common stock equal to 0.7 multiplied by 0.4, multiplied by the number of shares of Western Wireless common stock you hold, or 100, for a total of 28 shares of ALLTEL common stock.

If the stock election of Western Wireless shareholders is oversubscribed, we would calculate the cash consideration as illustrated above under the heading Proration if Too Many Shares of ALLTEL Common Stock are Elected. Assuming that the prorated cash consideration is $4 per share, then the stock proration factor would be 0.9. If you own 100 shares of Western Wireless common stock and make the stock election under these circumstances, you would receive:

$4 multiplied by the number of shares of Western Wireless common stock you hold, or 100, for a total of $400; and

the amount of shares of ALLTEL common stock equal to 0.7 multiplied by 0.9, multiplied by the number of shares of Western Wireless common stock you hold, or 100, for a total of 63 shares of ALLTEL common stock.

The following examples estimate the total values that you will receive for each share of Western Wireless common stock you hold depending on:

which election you make;

which elections other Western Wireless shareholders make; and

various assumed prices of ALLTEL common stock on the date of closing of the merger.

The last reported sale price of ALLTEL common stock on May , 2005, as reported on the NYSE Composite Transaction Tape, was $.

EXAMPLE 1

Shareholders Making Mixed Election 10%
Shareholders Making Stock Election 10%
Shareholders Making Cash Election 80%

Price per Share of ALLTEL Common Stock	Value of Mixed Election per Share		Value of Cash Election per Share		Value of Stock Election per Share	
$52	$	37.07	$	37.34	$	36.40
$57	$	39.75	$	39.93	$	39.90
$58	$	40.28	$	40.45	$	40.60
$63	$	42.96	$	43.04	$	44.10

EXAMPLE 2

Shareholders Making Mixed Election 50%
Shareholders Making Stock Election 25%
Shareholders Making Cash Election 25%

Price per Share of ALLTEL Common Stock	Value of Mixed Election per Share		Value of Cash Election per Share		Value of Stock Election per Share	
$52	$	37.07	$	38.07	$	36.40
$57	$	39.75	$	39.95	$	39.90
$58	$	40.28	$	40.33	$	40.60
$63	$	42.96	$	42.21	$	44.10

EXAMPLE 3

Shareholders Making Mixed Election 10%
Shareholders Making Stock Election 60%
Shareholders Making Cash Election 30%

Price per Share of ALLTEL Common Stock	Value of Mixed Election per Share	Value of Cash Election per Share	Value of Stock Election per Share
$52	$ 37.07	$ 38.90	$ 36.40
$57	$ 39.75	$ 39.97	$ 39.90
$58	$ 40.28	$ 40.19	$ 40.60
$63	$ 42.96	$ 41.26	$ 44.10

EXAMPLE 4

Shareholders Making Mixed Election 10%
Shareholders Making Stock Election 80%
Shareholders Making Cash Election 10%

Price per Share of ALLTEL Common Stock	Value of Mixed Election per Share	Value of Cash Election per Share	Value of Stock Election per Share
$52	$ 37.07	$ 40.00	$ 36.89
$57	$ 39.75	$ 40.00	$ 39.92
$58	$ 40.28	$ 40.00	$ 40.52
$63	$ 42.96	$ 40.00	$ 43.55

Explanation of Potential Adjustment to Merger Consideration

As a company listed on the NYSE, ALLTEL is required to obtain shareholder approval before it may issue a number of shares of its common stock that equals or exceeds 20% of the total number of shares of its common stock outstanding. ALLTEL and Western Wireless agreed on January 9, 2005 that if, as a result of any inadvertent error in the calculation of the basic consideration in the merger of $9.25 (the per share cash amount) and 0.535 shares of ALLTEL common stock (the mixed election stock exchange ratio) per share of Western Wireless common stock, the amount of ALLTEL common stock to be issued in connection with the merger would equal or exceed 20% of the total number of shares of its common stock outstanding, thereby requiring a vote of the shareholders of ALLTEL under the applicable rules of the NYSE, then the per share cash amount and the mixed election stock exchange ratio and any other similarly dependent items, as the case may be, will be equitably adjusted to ensure that no such vote of ALLTEL shareholders is required. However, it is now clear that this adjustment will not be triggered as the issuance by ALLTEL of its common stock to Western Wireless shareholders in the merger will not exceed the 20% threshold. On May 17, 2005, in connection with the settlement of the purchase contracts underlying the ALLTEL equity units issued during 2002, ALLTEL will issue between 22.9 million and 28.0 million shares of its common stock. Taking into account this issuance, it is anticipated that ALLTEL will issue up to an aggregate of approximately 59.3 million shares of its common stock to Western Wireless shareholders pursuant to the merger agreement, representing approximately % of the shares of ALLTEL common stock outstanding immediately prior to the merger.

Other Potential Adjustments

The amount and form of the merger consideration will be adjusted in the event that before the completion of the merger any change in the outstanding shares of capital stock of ALLTEL or Western Wireless occurs as a result of any reclassification, recapitalization, stock split (including a reverse stock split) or combination, exchange or readjustment of shares, or any stock dividend or stock distribution with a record date during such period.

Fractional Shares

You will not be entitled to receive any fractional shares of ALLTEL common stock. Instead, you will be entitled to receive cash, without interest, for any fractional share of ALLTEL common stock you might otherwise have been entitled to receive based on the closing price of the ALLTEL common stock on the date the merger occurs.

Federal Income Tax Consequences

The federal income tax consequences of the merger to Western Wireless shareholders will depend on whether they receive cash, ALLTEL common stock or a combination of cash and ALLTEL common stock. See The Merger Material United States Federal Income Tax Consequences of the Merger.

Conversion of Shares; Exchange Agent; Form of Election; Procedures for Exchange of Certificates; Fractional Shares

At the effective time of the merger, each outstanding share of Western Wireless common stock (other than shares held by ALLTEL or Merger Sub and shareholders who properly exercise their dissenters rights) will automatically convert into the right to receive the merger consideration. Following the merger, ALLTEL will cause the merger consideration to be provided to the exchange agent. ALLTEL has appointed to act as exchange agent for the merger.

The merger agreement provides that at the time this proxy statement/ prospectus is made available to shareholders, Western Wireless shareholders will be provided with a form of election and other appropriate and customary transmittal materials. Each form of election will allow the holder to make its merger consideration election. The exchange agent will also make available forms of election to holders of Western Wireless common stock who request the form of election prior to the election deadline, which we will announce before the expected completion of the merger. Holders of Western Wireless common stock who wish to elect the type of merger consideration they will receive in the merger should carefully review and follow the instructions set forth in the form of election. Shareholders who hold their shares in street name should follow their broker s instructions for making an election with respect to such shares.

To make an election, a holder of Western Wireless common stock must submit a properly completed form of election, together with stock certificates, so that it is actually received by the exchange agent at or prior to the election deadline in accordance with the instructions on the form of election. Shares of Western Wireless common stock as to which the holder has not made a valid election prior to the election deadline will be deemed to have elected to receive $9.25 cash and 0.535 shares of ALLTEL common stock in exchange for each of his or her shares of Western Wireless common stock.

A form of election will be properly completed only if accompanied by certificates representing all shares of Western Wireless common stock covered by the form of election. If a shareholder cannot deliver his or her stock certificates to the exchange agent by the election deadline, a shareholder may deliver a notice of guaranteed delivery promising to deliver his or her stock certificates, as described in the form of election. Once Western Wireless shareholders deliver their form of election and stock certificates to the exchange agent, they may not transfer their Western Wireless shares, unless they revoke their election by written notice to the exchange agent that is received prior to the election deadline.

Generally, an election may be revoked or changed, but only by written notice received by the exchange agent prior to the election deadline. If an election is revoked, or the merger agreement is terminated, and certificates have been transmitted to the exchange agent, the exchange agent will promptly return those certificates to the shareholder who submitted those certificates. Western Wireless shareholders will not be entitled to revoke or change their elections following the election deadline. As a result, shareholders who have made elections will be unable to revoke their elections or sell their shares of

Western Wireless common stock during the interval between the election deadline and the date of completion of the merger.

Soon after the completion of the merger, the exchange agent will send a letter of transmittal to only those persons who were Western Wireless shareholders at the effective time of the merger and who have not previously submitted a form of election and properly surrendered shares of Western Wireless common stock to the exchange agent. This mailing will contain instructions on how to surrender shares of Western Wireless common stock (if these shares have not already been surrendered) in exchange for the merger consideration the holder is entitled to receive under the merger agreement.

After the effective time of the merger, each certificate that previously represented shares of Western Wireless common stock (other than certificates held by ALLTEL or Merger Sub and shareholders who properly exercise their dissenters rights) will represent only the right to receive the merger consideration. The merger consideration also will include cash payable in lieu of fractional shares of ALLTEL common stock and dividends or other distributions on ALLTEL common stock with record dates after the effective time of the merger.

Those certificates previously representing Western Wireless common stock may only be paid whole shares of ALLTEL common stock, dividends or other distributions payable on whole shares of ALLTEL common stock and the cash consideration to be received pursuant to the merger (including any cash in lieu of any fractional shares) after surrender of those certificates to the exchange agent. No interest will be paid or will accrue on the cash payable upon surrender of those certificates.

If there is a transfer of ownership of Western Wireless common stock that is not registered in the transfer records of Western Wireless, exchange and payment may be made to the transferee if the certificate representing those shares of Western Wireless common stock is presented to the exchange agent, accompanied by all documents required to evidence and effect the transfer and to evidence that any applicable stock transfer and other taxes have been paid.

ALLTEL will not issue any fractional shares of ALLTEL common stock to any Western Wireless shareholder upon surrender of its certificates. In addition, no dividend or distribution of ALLTEL will relate to fractional share interests and the fractional share interest will not entitle the owner to vote or to any rights of a shareholder of ALLTEL. In lieu of the issuance of fractional shares, ALLTEL will deliver to the exchange agent cash in order to pay each former holder of Western Wireless common stock an amount in cash equal to the product obtained by multiplying the fractional share interest to which the former holder (after taking into account all shares of Western Wireless common stock held at the effective time of the merger by the holder) would otherwise be entitled by the closing price of the ALLTEL common stock on the effective date of the merger.

Shares of Western Wireless common stock owned by ALLTEL or Merger Sub will be cancelled in the merger without payment of any merger consideration.

Effective Time

The merger will become effective at the time the articles of merger relating to the merger are filed with the Secretary of State of the State of Washington or such later time as is agreed upon by the parties and specified in the articles of merger. The filing of the articles of merger will take place only after the fulfillment or waiver of the conditions described below under the heading Merger Agreement Conditions to the Merger.

Management and Organizational Documents after the Merger

Management. The manager and the officers of Merger Sub immediately prior to the merger will become the initial manager and officers of the surviving company immediately following the merger. Each such individual will hold office in accordance with the limited liability company agreement of the surviving company.

Organizational Documents. The certificate of formation of Merger Sub immediately prior to the merger will be the certificate of formation of the surviving company immediately following the merger, except that the certificate of formation of the surviving company will be amended to reflect the name Western Wireless (or a variation thereof) as the name of the surviving company. The limited liability company agreement of Merger Sub immediately prior to the merger will be the limited liability company agreement of the surviving company immediately following the merger.

Representations and Warranties

The merger agreement contains a number of representations and warranties made by the parties to each other, including those regarding:

- due organization, good standing and qualification;
- capital structure;
- authority to enter into the merger agreement and no conflicts with or violations of governance documents, contracts or laws;
- documents filed with the SEC and financial statements;
- establishment and maintenance of internal controls and procedures;
- no undisclosed liabilities;
- compliance with applicable laws;
- possession of required licenses and regulatory approvals;
- compliance with environmental laws;
- employee benefit plan matters and other employment matters;
- conduct of business in the ordinary course since December 31, 2003, and no event has occurred which would have a material adverse effect;
- no litigation or investigations;
- accuracy of information supplied in connection with this proxy statement/ prospectus and the registration statement of which it is a part;
- no ownership of ALLTEL common stock by Western Wireless or Western Wireless common stock by ALLTEL;
- tax matters;
- labor matters;
- intellectual property;
- material contracts;
- domestic communications regulatory matters;

- inapplicability of state takeover statutes;
- no affiliate transactions; and
- finders or brokers fees.

In addition, Western Wireless made representations and warranties to ALLTEL as to:

- no shareholder rights plan;
- the receipt of a fairness opinion from a financial advisor;
- required shareholder vote; and

- foreign communications regulatory matters.

ALLTEL also represented and warranted to Western Wireless that no vote of ALLTEL shareholders is required in connection with the merger.

In addition, the merger agreement contains representations and warranties made by Merger Sub to Western Wireless regarding certain of the matters listed above.

Certain of Western Wireless and ALLTEL s representations and warranties are qualified as to materiality or material adverse effect. When used with respect to Western Wireless or ALLTEL, material adverse effect means the following:

- such state of facts, event, change or effect that has had a material adverse effect on the business, operations or financial condition of Western Wireless and its subsidiaries, taken as a whole or of ALLTEL and its subsidiaries, taken as a whole, as the case may be.

Facts, events, changes, effects, or developments will not be deemed a material adverse effect with respect to Western Wireless or ALLTEL, as the case may be, if such facts, events, changes, effects, or developments:

- generally affect the rural, regional or nationwide wireless voice and data industry in the United States or in other countries in which Western Wireless or its subsidiaries conduct business, including regulatory and political developments;
- generally affect the economy or financial markets in the United States or in other countries in which Western Wireless or its subsidiaries conduct business; or
- result from the announcement or the existence of the merger agreement and the transactions contemplated thereby.

Covenants

Conduct of Business Pending Merger. Western Wireless has agreed that until the effective time of the merger it will conduct its business in the ordinary course of business, use its commercially reasonable efforts to preserve substantially intact its business organizations and goodwill, keep available the services of those of its officers, employees and consultants who are integral to the operation of its business as presently conducted, and preserve its present relationships with significant customers, suppliers and other persons with whom it has significant business relations.

In addition, Western Wireless has agreed that until the merger is completed, Western Wireless and its subsidiaries will not take the actions listed in the merger agreement, which include the following actions, without ALLTEL s prior written consent, except under limited circumstances specified in the merger agreement:

- authorize or pay any dividends on, or make any distribution with respect to, its outstanding capital stock, or permit any subsidiary that is not wholly-owned to authorize or pay any such dividends or make any such distributions;
- split, combine or reclassify any of its capital stock or issue or authorize or propose the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock;
- increase compensation, severance or other benefits payable to its directors, officers or employees;
- grant severance or termination pay to employees or enter into severance agreements with, or settle employment claims by, employees;
- enter into employment agreements with directors or officers;
- establish, adopt, enter into or amend any collective bargaining agreement, plan, trust, fund, policy or arrangement for the benefit of current or former directors, officers or employees or their beneficiaries;

enter into or make loans to officers, directors, employees, affiliates, agents or consultants or make changes in any existing borrowing or lending arrangements for or on behalf of such persons;

materially change accounting policies or procedures or any of its methods of reporting income, deductions or other material items for income tax purposes;

approve or authorize actions for submission for shareholder approval that is intended or would reasonably be expected to prevent, delay or adversely affect the consummation of the merger;

authorize, propose or announce an intention to authorize or propose, or enter into agreements with respect to, mergers, consolidations or business combinations or acquisitions of assets or securities with a value or purchase price in the aggregate in excess of $100 million or which would reasonably be expected to have the effect of delaying, preventing, or reducing the likelihood of consummation of the merger or obtaining regulatory or other consents or approvals contemplated by the merger agreement;

amend its articles of incorporation or by-laws;

issue, sell, pledge, dispose or encumber its capital stock, other ownership interests, or any securities or rights convertible into or exchangeable for any such shares or ownership interests or permit or authorize any of the above, other than, among other things, in connection with (i) the exercise of stock options outstanding on January 9, 2005 and (ii) the conversion of Western Wireless outstanding publicly traded convertible notes;

grant, confer or award options, warrants, convertible securities or other rights to acquire shares of its capital stock or take any action to cause to be exercisable any otherwise non-exercisable option under an existing stock option plan;

purchase, redeem or otherwise acquire its capital stock, or any rights, warrants or options to acquire its capital stock;

repurchase, redeem or repay certain outstanding notes of Western Wireless;

incur, assume, guarantee, prepay or otherwise become liable for any indebtedness for borrowed money;

make loans, advances or capital contributions to, or investments in, any other person or entity;

sell, lease, license, transfer, exchange or swap, mortgage or otherwise encumber (including securitizations), or subject to any lien or otherwise dispose of, any material portion of its properties or assets, including the capital stock of its subsidiaries, other than in the ordinary course of business consistent with past practice;

make or change any material tax election, settle or compromise any material tax liability, claim or assessment or change its fiscal year;

modify, amend, terminate or waive any rights under any material contract in any material respect;

enter into any material contracts;

adopt any shareholder rights plan, poison pill or similar anti-takeover device; or

agree to take any of the actions listed above.

ALLTEL has agreed that until the effective time of the merger it will conduct its business in the ordinary course of business, use its commercially reasonable efforts to preserve substantially intact its business organizations and goodwill, keep available the services of those of its officers, employees and consultants who are integral to the operation of its business as presently conducted, and preserve its present relationships with significant customers, suppliers and other persons with whom it has significant business relations.

In addition, ALLTEL has agreed that until the merger is completed, ALLTEL and its subsidiaries will not take the actions listed in the merger agreement, which include the following actions, without Western Wireless prior written consent, except under limited circumstances specified in the merger agreement:

authorize or pay any dividends on, or make any distributions with respect to, its outstanding capital stock, or permit any subsidiary that is not wholly-owned to authorize or pay any such dividends or make any such distributions, except that ALLTEL may continue to pay regular quarterly cash dividends on its common and preferred stock consistent with past practice in timing and amount (including customary increases);

purchase, redeem or otherwise acquire its capital stock, or any rights, warrants or options to acquire its capital stock, except in accordance with ALLTEL s repurchase program consistent with past practice;

split, combine or reclassify any of its capital stock or issue or authorize or propose the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock;

materially change accounting policies or procedures or any of its methods of reporting income, deductions or other material items for income tax purposes;

issue any shares of ALLTEL capital stock or repurchase, redeem or cause to cease to be issued and outstanding any shares of ALLTEL common stock if, in either case, the taking of such action would give rise to a vote of ALLTEL s shareholders with respect to the merger or the issuance of ALLTEL common stock pursuant to the merger agreement;

authorize, propose or announce an intention to authorize or propose, or enter into agreements with respect to any mergers, consolidations, business combinations or acquisitions of assets or securities with a value or purchase price in the aggregate in excess of $750 million or which would reasonably be expected to have the effect of delaying, preventing, or reducing the likelihood of consummation of the merger or obtaining regulatory or other consents or approvals contemplated by the merger agreement;

amend ALLTEL s articles of incorporation or by-laws or the certificate of formation or limited liability company agreement of Merger Sub;

issue, sell, pledge, dispose or encumber its capital stock, other ownership interests or any securities or rights convertible into or exchangeable for any such shares or ownership interests, or permit or authorize any of the above, other than, among other things, in connection with (i) the exercise of stock options outstanding on January 9, 2005 and (ii) compensation or retention of employees in the ordinary course of business consistent with past practice;

sell, lease, license, transfer, exchange, swap, mortgage or encumber (including securitizations), or subject to any lien or dispose of properties or assets relating to its wireless telephony service business, including the capital stock of its subsidiaries, other than in the ordinary course of business consistent with past practice;

make or change any material tax election, settle or compromise any material tax liability, claim or assessment or change its fiscal year; or

agree to take any of the actions listed above.

Tax-Free Reorganization Treatment. Both ALLTEL and Western Wireless are required to use all reasonable efforts to cause the merger to qualify as a reorganization within the meaning of Section 368(a) of the Code and neither party may permit, take or cause to be taken any action that would result in the merger failing to qualify as such a reorganization.

Investigation. The merger agreement requires ALLTEL and Western Wireless to provide to the other party reasonable access to its properties, contracts, commitments, books and records and any report, schedule or other document filed or received by it pursuant to the requirements of federal or state securities laws and to promptly furnish to one another additional financial and operating data and other information as reasonably requested. Any such information received by either party will be treated in accordance with a confidentiality agreement executed between ALLTEL and Western Wireless.

No Solicitation. The merger agreement precludes Western Wireless, its subsidiaries, officers, employees, accountants, consultants, legal counsel, financial advisors and agents and other representatives from directly or indirectly soliciting, initiating, encouraging, knowingly facilitating or inducing any inquiry with respect to, or the making, submission or announcement of, any Company Alternative Proposal , which is defined in the merger agreement as any bona fide proposal or offer made by any person prior to the approval and adoption of the merger agreement and the merger by Western Wireless shareholders, for:

- the acquisition of Western Wireless by merger or business combination transaction, or for a merger of equals with Western Wireless;

- the acquisition by any person of twenty percent (20%) or more of the assets of Western Wireless and its subsidiaries, taken as a whole; or

- the acquisition by any person of twenty percent (20%) or more of the outstanding shares of Western Wireless common stock.

The merger agreement also prohibits Western Wireless and its representatives from participating in any negotiations regarding, or furnishing to any person any nonpublic information with respect to, any such proposal or in response to any inquiries or proposals that may reasonably be expected to lead to any such proposal. In addition, neither Western Wireless nor its representatives may have any discussions with any person relating to any such proposal, or approve, endorse or recommend any such proposal, or enter into any letter of intent or similar agreement or commitment with respect to any such proposal.

However, the merger agreement provides that if, prior to the approval and adoption by Western Wireless shareholders of the merger agreement and the merger, Western Wireless receives a Company Alternative Proposal which constitutes a Company Superior Proposal , or which the board of directors of Western Wireless determines in good faith, after consultation with its outside financial and legal advisors, could reasonably be expected to result in a Company Superior Proposal, Western Wireless may furnish nonpublic information to the third party making such Company Superior Proposal (subject to Western Wireless entering into a confidentiality agreement with such third party and concurrently furnishing a copy of such nonpublic information to ALLTEL) and engage in discussions or negotiations with such third party with respect to the Company Superior Proposal. The merger agreement defines a Company Superior Proposal as a bona fide Company Alternative Proposal made by any person, which has not been obtained by or on behalf of Western Wireless in violation of its obligations under the merger agreement, on terms that the Western Wireless board determines in good faith, after consultation with its financial and legal advisors, and considering such factors as the Western Wireless board considers to be appropriate (including the conditionality and timing of such proposal), are more favorable to Western Wireless and its shareholders than the merger with ALLTEL.

The merger agreement also provides that Western Wireless must provide notice to ALLTEL of its intentions to enter into discussions or provide nonpublic information in connection with the Company Superior Proposal. Beginning forty-eight hours after delivery of such notice, in response to the receipt of a Company Superior Proposal the Western Wireless board may change, withhold or withdraw its recommendation to the Western Wireless shareholders that they approve the merger with ALLTEL if the Western Wireless board concludes in good faith, after consultation with its outside legal counsel, that the failure to change its recommendation to the Western Wireless shareholders would be reasonably likely to result in a breach by the directors of their fiduciary obligations under applicable law.

The merger agreement also provides that, to the extent permitted by applicable law, the obligation of Western Wireless to hold a meeting of its shareholders to approve and adopt the merger agreement and the merger shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission to it of any Company

Alternative Proposal (whether or not it is a Company Superior

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Proposal), or by any change, withholding or withdrawal of the Western Wireless board s recommendation that the Western Wireless shareholders approve the merger.

Proxy Material; Registration Statement. ALLTEL and Western Wireless agreed to prepare this proxy statement/ prospectus and the registration statement on Form S-4 of which it is a part, and to file them with the SEC and use all reasonable efforts to have the proxy statement cleared by the SEC and the registration statement declared effective by the SEC. This proxy statement/ prospectus and the registration statement will (subject to certain exceptions) include the recommendation of Western Wireless board of directors that Western Wireless shareholders approve and adopt the merger agreement. ALLTEL is required to take all necessary actions as may be required under state blue sky or securities laws and is required to file listing applications covering the shares to be issued in the merger with the NYSE and such other stock exchanges as shall be agreed upon.

Both ALLTEL and Western Wireless are required to cooperate with each other to obtain written opinions from their respective legal counsel to the effect that the merger will be treated as a reorganization within the meaning of Section 368(a) of the Code and that ALLTEL and Western Wireless each will be treated as a party to the reorganization within the meaning of Section 368(b) of the Code. ALLTEL and Western Wireless agreed that ALLTEL may convert Merger Sub from a limited liability company to an entity treated as a corporation for federal income tax purposes if ALLTEL determines that such change would result in significant tax savings and will neither adversely effect the tax treatment of Western Wireless shareholders nor prevent the issuance of a written legal opinion concerning favorable tax treatment of the merger as a reorganization.

Western Wireless was required under the terms of the merger agreement to mail this proxy statement/ prospectus to its shareholders as promptly as practicable after the registration statement was declared effective. The merger agreement also requires Western Wireless to call and hold a meeting of its shareholders as promptly as practicable following the effectiveness of the registration statement and mailing of the proxy statement in order to obtain the approval of Western Wireless shareholders. Additionally, subject to certain limitations and certain fiduciary duty considerations, Western Wireless has agreed to recommend that Western Wireless shareholders vote in favor of approval and adoption of the merger agreement and the merger and take all reasonable and lawful action to solicit and obtain such approval and adoption. See Covenants No Solicitation.

Except as may be permitted by the merger agreement, Western Wireless board of directors may not withdraw or modify, in a manner adverse to ALLTEL, the recommendation of its board of directors that Western Wireless shareholders approve and adopt the merger agreement.

ALLTEL has agreed to have the shares of ALLTEL common stock to be issued in connection with the merger approved for listing on the NYSE.

Affiliate Agreements. Western Wireless was required to deliver to ALLTEL a list setting forth the names and addresses of all persons who are, at the time of the annual meeting, in the Western Wireless reasonable judgment, affiliates of Western Wireless for purposes of Rule 145 under the Securities Act of 1933. In accordance with the merger agreement, Western Wireless caused each person identified as an affiliate in such list to execute a written agreement in a form specified in the merger agreement regarding securities laws restrictions on resale of shares received in the merger.

Stock Options; Employee Stock Purchase Plan; Employee Matters; Retention Pool; and Severance Program. At the effective time, each outstanding unexpired and unexercised option to purchase a share of Western Wireless common stock under certain option plans will be converted into an option to purchase a fraction of a share of ALLTEL common stock equal to the sum of (i) 0.535, plus (ii) the fraction resulting from dividing $9.25 by the closing price of ALLTEL common stock on the NYSE on the last trading day preceding the closing of the merger. The other terms of Western Wireless common stock options will continue to apply according to their terms, including, without limitation, any provisions for the acceleration of vesting resulting from the consummation of the merger (or any subsequent termination of employment) pursuant to such existing terms and conditions. Under Western Wireless existing stock option agreements with its directors and certain of its officers, if during the one year period following completion of the merger the optionee s employment is involuntarily terminated for any reason other than death, disability or cause, or the optionee terminates his or her employment for good reason, the optionee s options will, to the extent not already vested, become fully vested and exercisable. The stock option agreements define good reason as: (i) the assignment to optionee of duties, or limitation of the optionee s responsibilities, inconsistent with his or her title, position, duties, responsibilities and status with Western Wireless immediately prior to the completion of the merger, (ii) the failure to pay, or reduction in, the optionee s compensation, (iii) the relocation of the optionee s place of employment, and (iv) the breach by the optionor of any material provision of the option agreement. Under the foregoing terms of the existing option agreements all unvested options of Western Wireless directors and executive officers would generally be accelerated upon or shortly after the merger. Accordingly, Western Wireless and ALLTEL agreed in the merger agreement that Western Wireless would be permitted to amend the existing stock option agreements with directors and executive officers to provide explicitly that all of their options will, to the extent not already vested, become fully vested and exercisable immediately prior to the merger. It is anticipated that the Compensation Committee of Western Wireless board of directors will take such action prior to the consummation of the merger. Western Wireless and ALLTEL also agreed in the merger agreement that Western Wireless would be permitted to amend the existing stock option agreements with all other Western Wireless option holders (covering up to 450,000 options) to provide that the optionee s options will, to the extent not already vested, become fully vested and exercisable for any optionee whose employment is terminated as a result of layoffs or reductions in force in connection with and within one year following the merger. It is anticipated that the Compensation Committee of Western Wireless board of directors will also take such action prior to the consummation of the merger. ALLTEL will reserve for issuance the number of shares of ALLTEL common stock that will become subject to the converted options. ALLTEL will issue to each holder of a Western Wireless common stock option converted to an ALLTEL common stock option a document evidencing the assumption by ALLTEL, and ALLTEL will file a registration statement on Form S-8 related to such converted options.

Western Wireless will take all actions necessary under the terms of its employee stock purchase plan to (i) shorten the offering period so that it terminates before the effective time of the merger, (ii) ensure that no offering periods begin after such time, (iii) permit participants to exercise, immediately before the effective time of the merger, any then existing purchase rights under the plan and (iv) refund to employee stock purchase plan participants the funds that remain in the participants accounts after such purchase. Western Wireless will terminate the employee stock purchase plan at the effective time of the merger.

ALLTEL will honor all Western Wireless benefit plans and compensation arrangements and agreements in accordance with their terms as in effect immediately before the effective time of the merger. For a period of one year following the effective time of the merger, ALLTEL will provide to current and former employees of Western Wireless and its subsidiaries welfare, compensation and employee benefits plans, programs and arrangements that are not less favorable in the aggregate than those provided to Western Wireless employees before the effective time. Following such one year period, Western Wireless employees will receive compensation and benefits pursuant to the welfare, compensation and employee benefit plans, programs and arrangements of ALLTEL then in effect.

For purposes of vesting, eligibility and level of benefits, each Western Wireless employee will be credited with his or her years of service with Western Wireless and its subsidiaries before the effective time of the merger, to the same extent as the Western Wireless employee was entitled, before the effective time, to credit for such service. Each Western Wireless employee will be immediately eligible to participate, without any waiting time, in any and all ALLTEL employee benefit plans to the extent the coverage under such ALLTEL employee benefit plans is comparable to Western Wireless employee benefit plan or compensation arrangement or agreements in which the employee participated.

Western Wireless may provide a $20 million retention pool for the purpose of retaining the services of key Western Wireless employees. Pursuant to this provision of the merger agreement, on February 8, 2005 Western Wireless adopted a Retention Bonus Plan with an aggregate payout amount of $20 million. Under the Retention Bonus Plan, executive officers of Western Wireless will be eligible to receive a cash

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retention bonus equal to 12 months of their monthly base salary, 50% of which will be paid at the next payroll period after the completion of the merger and 50% of which will be paid at the next payroll period following the date that is six months thereafter subject to the executive officer s continued employment with ALLTEL or Western Wireless through such dates. However, Western Wireless five most senior executive officers (its chairman and chief executive officer, two vice chairmen, its president and its president international) will not participate in the Retention Bonus Plan. The Retention Bonus Plan provides other employees with cash retention bonuses of varying amounts payable at different intervals. Most participants in the Retention Bonus Plan will receive as cash retention bonuses the greater of $3,000 or one month s salary for staying through the closing of the merger, to be paid at the next payroll period following the closing. Participants involved in customer care will be paid the greater of $5,000 or three months salary, to be paid 50% at the next payroll period following the closing and 50% at the next payroll period following the six month anniversary of the closing, subject to the participant s continued employment through such dates. Approximately 400 key managers (including executive officers) will be paid three, six or twelve months salary to be paid 50% at the next payroll period following the closing and 50% at the next payroll period following the six month anniversary of the closing, subject to the participant s continued employment through such dates. The retention bonuses will be paid regardless of whether the merger is consummated. If the merger agreement is terminated, executive officers, other key manager participants and customer care participants will be paid 50% of their retention bonus at the next payroll period after the one-month anniversary of the termination and 50% at the next payroll after the seven-month anniversary of the termination, and other participants will be paid 100% of their retention bonus at the next payroll period after the 1-month anniversary of the termination.

If the employment of a participant in the Retention Bonus Plan is terminated by Western Wireless or its successor without cause or terminated by the participant for good reason (defined in the Retention Bonus Plan as a failure to pay, or a reduction in, the participant s compensation, or a relocation of the participant s place of employment) or terminated as a result of death or disability, prior to the scheduled payment date of any retention bonus to which the participant would otherwise have been entitled if the participant had remained employed until such payment date, the participant will receive the full amount of his or her cash retention bonus at the next payroll period after such termination of employment. Participants who voluntarily resign without good reason or whose employment is terminated for cause will not receive any cash retention bonus that had not already been paid. ALLTEL has agreed to honor the terms of the Retention Bonus Plan following the completion the merger. The Retention Bonus Plan provides that any portion of the retention pool that is forfeited by a participant as a result of termination of employment may be reallocated by the administrator to remaining participants or key employees as the administrator may determine after consultation with ALLTEL. The Retention Bonus Plan will be administered by John W. Stanton, Western Wireless chairman and chief executive officer, or his designee.

ALLTEL will honor Western Wireless severance program (set forth in a Severance Plan adopted by Western Wireless on February 8, 2005) under which all employees as of January 10, 2005 will be entitled to certain benefits in the event of a qualifying termination of their employment during the two year period immediately following the closing of the merger. Under the Severance Plan, the severance payments for executive officers and other participants at the position levels of senior vice president and above will generally be equal to one year of such executive officer s total compensation (base salary and target bonus). Other employees would receive one month of total compensation per year of service with Western Wireless, with a minimum payment equal to three months of compensation and a maximum payment of one year of compensation. Severance payments will be paid if the employment of a participant is terminated by Western Wireless or its successor without cause or terminated by the participant for good reason (defined in the Severance Plan as a failure to pay, or a reduction in, the participant s compensation, or a relocation of the participant s place of employment) during the two year period following the closing of the merger. Participants who voluntarily resign without good reason or whose employment is terminated for cause will not receive any severance payments. If a Severance Plan participant is entitled to greater benefits under any agreement with Western Wireless which provides for severance pay, he or she would be paid in accordance with such agreement and not under the Severance Plan. None of the executive officers who have employment agreements with Western Wireless are entitled to severance payments of greater

than one year of total compensation under such employment agreements. ALLTEL has agreed to honor the Severance Plan following the merger. No severance payments will be made under the Severance Plan in the event the merger is not consummated. Mr. Stanton (or his designee) will also administer the Severance Plan.

Notification of Certain Matters. Each of ALLTEL and Western Wireless are required to notify the other party of any events which would reasonably be expected to have a material adverse effect on it or cause certain conditions set forth in the merger agreement to be unsatisfied. In addition, each of ALLTEL and Western Wireless are required to notify the other party of any action, suit, proceeding, inquiry or investigation pending or threatened, which questions or challenges the validity of the merger agreement.

Filings; Other Action. Both ALLTEL and Western Wireless will take all actions, and do and assist and cooperate in doing all things necessary, proper or advisable to consummate and make effective the merger, including, without limitation, the obtaining of all necessary actions or non-actions, waivers, consents, approvals, permits and authorizations, and the making of all necessary registrations and filings (including, without limitation, filings pursuant to the HSR Act and applications for FCC consent to the transfer of licenses), and the defending of any lawsuits or other legal proceedings. ALLTEL and Western Wireless are to use all reasonable efforts to resolve any objections or challenges from a regulatory authority. In no event will ALLTEL be required to, nor will Western Wireless be permitted to, agree to any condition imposed by a regulator that would require ALLTEL to divest itself of any businesses, assets or product lines, including any businesses, assets or product lines it acquires from Western Wireless following completion of the merger, except that ALLTEL is required to, and Western Wireless is permitted to, agree to divest spectrum licenses or systems assets of itself or any of its subsidiaries, and agree to the imposition of any limitation upon such licenses, assets or operations, in any service area in which there is a spectrum overlap where at least one of the parties or their respective subsidiaries holds a cellular license in the 850 MHz spectrum band. In connection with the foregoing, subject to the requirements of the relevant regulator in connection with the foregoing, solely as between ALLTEL and Western Wireless, ALLTEL has the right to determine which assets are divested or which licenses become subject to limitation and make all determinations with respect to the terms of any such divestiture or limitation, provided that neither ALLTEL nor Western Wireless, nor any of their respective subsidiaries shall be required to make any divestiture or agree to any limitation that is not conditioned upon occurrence of the closing of the merger.

Anti-Takeover Statute. If any anti-takeover statute or regulation becomes applicable to the transactions contemplated by the merger agreement, each of ALLTEL and Western Wireless will grant approvals and take actions reasonably necessary to promptly consummate the merger under the terms of the merger agreement or minimize the effects of such statute or regulation.

Public Announcements. Both ALLTEL and Western Wireless will provide each other the opportunity to review and comment on any press release or other public statement or comment before the issuance of such press release or other public statement.

Directors and Officers Insurance; Indemnification. Under the terms of the merger agreement, ALLTEL and Merger Sub have agreed that all rights to exculpation and indemnification for acts or omissions occurring prior to the merger as provided in Western Wireless articles of incorporation or by-laws, or in any agreement, in favor of persons who are or were directors, officers or employees of Western Wireless or its subsidiaries, will survive for a period of six years following the merger and ALLTEL and Merger Sub will maintain these current provisions regarding indemnification in effect for six years. ALLTEL and Merger Sub also agreed that for a period of six years following the merger, ALLTEL and Merger Sub will indemnify the current and former directors, officers or employees of Western Wireless to the fullest extent permitted by applicable law. The merger agreement further requires that, for six years following the effective time of the merger, subject to certain limitations, Merger Sub maintain coverage under a director and officer liability insurance policy, with respect to claims arising from facts or events that occurred on or before the effective time of the merger, at a level at least equal to that which Western Wireless or its subsidiaries is maintaining prior to the merger, except that for any policy year, Merger Sub will not be required to pay, with respect to such insurance policies, more than 200% of the annual premium paid by Western Wireless for such insurance for the year ending December 31, 2005.

Accountants Comfort Letters. Each of ALLTEL and Western will use commercially reasonable efforts to cause to be delivered to each other in connection with this proxy statement/ prospectus and the registration statement on Form S-4 of which it is a part, letters from their respective independent accountants in customary scope for comfort letters delivered for this purpose.

Additional Reports and Information. ALLTEL and Western Wireless are each required to use all reasonable efforts to implement programs and take steps in order to comply with Section 404 of the Sarbanes-Oxley Act in accordance with all applicable deadlines. Both parties are required to furnish to the other copies of certain reports filed with the SEC. Western Wireless is required to provide ALLTEL with copies of drafts of each Western Wireless Form 10-Q for periods ending prior to the merger.

If required as part of any ALLTEL SEC filing and requested by ALLTEL, Western Wireless will use all reasonable efforts to provide audited and unaudited financial statements and assist in obtaining any necessary independent accountants consents.

Section 16 Matters. Prior to the effective time of the merger, ALLTEL and Western Wireless are required to use all reasonable efforts to approve in advance using applicable procedures any dispositions of Western Wireless common stock or acquisitions of ALLTEL common stock resulting from the merger by each officer or director of ALLTEL and Western Wireless who is subject to Section 16 of the Securities Exchange Act of 1934 with respect to equity securities of ALLTEL or Western Wireless.

Control of Operations. Nothing contained in the merger agreement gives ALLTEL the right to control or direct Western Wireless operations prior to the effective time of the merger.

Internal Controls and Procedures. Western Wireless is required to deliver to ALLTEL copies of any notices received from its independent auditor of any significant deficiencies or material weaknesses in Western Wireless internal control over financial reporting. Western Wireless is required to use all reasonable efforts to continue implementing programs necessary to effect compliance with Section 404 of the Sarbanes-Oxley Act.

Real Estate Transfer Taxes. Any liability arising out of any real estate transfer tax with respect to interests in real property owned directly or indirectly by Western Wireless and its subsidiaries will be borne by either Merger Sub as the surviving company or ALLTEL and will not be a liability of Western Wireless shareholders.

ALLTEL Covenant Concerning Subsidiary Indebtedness. ALLTEL covenants that prior to the effective time of the merger it will take certain actions to ensure that no violation of the subsidiary indebtedness covenant contained in its credit agreement will occur or be continuing as a result of the merger.

Conditions to the Merger

The obligations of each party to complete the merger are conditioned upon the other party s representations and warranties being true and correct, subject to certain exceptions, and the other party having complied in all material respects with such party s covenants. In addition, among other things, ALLTEL s and Western Wireless obligations are conditioned on:

- the approval and adoption of the merger agreement and the merger by Western Wireless shareholders;
- the absence of any statute, rule, regulation, executive order, decree, ruling or injunction prohibiting the consummation of the merger;
- the continuing effectiveness of the registration statement of which this proxy statement/ prospectus forms a part;

the approval of the shares of ALLTEL common stock to be issued in connection with the merger for listing on the NYSE;

the termination or expiration of the applicable waiting periods pursuant to the HSR Act;

the obtaining of any other regulatory approvals of Western Wireless or ALLTEL required to be obtained for the consummation of the merger, other than regulatory approvals the failure to obtain which would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on Western Wireless or ALLTEL;

the obtaining of all necessary FCC approvals and consents, other than any such consents the failure to obtain which would not reasonably be expected to have a material adverse effect on Western Wireless or ALLTEL, on terms which, subject to certain exceptions described under the heading The Merger Agreement Covenants Filings; Other Actions , would not require ALLTEL to divest itself of any businesses, assets or product lines; and

the receipt by each of ALLTEL and Western Wireless, from its respective legal counsel, of an opinion substantially to the effect that the merger will be treated as a reorganization under section 368(a) of the Code.

In addition, ALLTEL s obligation to complete the merger is also conditioned on the absence, since January 9, 2005, of any events, occurrences, developments, circumstances or facts that would reasonably be expected to have a material adverse effect on Western Wireless following the date of the agreement, except for such circumstances or facts disclosed to ALLTEL prior to the date of the agreement.

Termination

The merger agreement may be terminated by the mutual consent of ALLTEL and Western Wireless. Additionally, either ALLTEL or Western Wireless may terminate the merger agreement if:

the merger is not consummated by August 31, 2005 (which date can be extended by ALLTEL or Western Wireless to November 30, 2005 if, as of August 31, 2005, all conditions to closing other than regulatory approvals have been satisfied) through no fault of the party seeking to terminate the merger agreement;

there are final, non-appealable legal restraints preventing the merger and the party seeking to terminate the merger agreement has used all reasonable efforts to remove such legal restraints;

Western Wireless shareholders fail to approve and adopt the merger agreement and the merger at the annual meeting, except that Western Wireless will not be permitted to terminate the merger agreement because of the failure to obtain the shareholder approval if such failure was caused by (i) Western Wireless actions or inactions that constitute a material breach of the merger agreement or (ii) a breach of the voting agreement by any party thereto other than ALLTEL; or

the other party has materially breached a representation, warranty, covenant or agreement of that party contained in the merger agreement, resulting in a failure of a condition to the non-breaching party s obligation to effect the merger, and such breach cannot be cured by August 31, 2005 (or November 30, 2005, if extended);

Western Wireless must pay ALLTEL a termination fee of $120 million if:

Western Wireless terminates the merger agreement because the merger has not been completed by August 31, 2005 (or if either party has properly extended the termination date under the merger agreement, by November 30, 2005), which failure to complete was not proximately caused by ALLTEL s breach in any material respect of its obligations under the merger agreement, or either Western Wireless or ALLTEL terminates the merger agreement because the Western Wireless shareholders fail to approve the merger and the merger agreement at the annual meeting, and prior to the termination of the merger agreement, a Company Alternative Proposal (as defined above) shall have been commenced, publicly proposed or publicly disclosed prior to, and in each case, not withdrawn at the time of, the annual meeting, and

Western Wireless enters into an agreement regarding the acquisition of Western Wireless by merger or business combination, or a merger of equals, or the acquisition of 40% or more of its assets or shares of common stock with the third party making such Company Alternative Proposal within nine months after the termination or Western Wireless enters into an agreement regarding the acquisition of Western Wireless by merger or business combination, or a merger of equals, or the acquisition of 40% or more of its assets or shares of common stock with any other party within six months after the termination.

Amendment and Supplement; Waiver

Amendment. The merger agreement may be amended or supplemented by the written agreement of Western Wireless and ALLTEL at any time prior to the effective time of the merger, whether before or after the adoption of the merger agreement by Western Wireless shareholders. However, following such adoption, no amendment of the merger agreement shall be made which requires further approval of Western Wireless shareholders without such further approval.

Extension of Time, Waiver, Etc. At any time prior to the effective time of the merger, ALLTEL or Western Wireless may:

extend the time of performance of any of the obligations or other acts of the other parties pursuant to the merger agreement;

waive any inaccuracies in the representations and warranties of the other party contained in the merger agreement or in any document delivered pursuant to the merger agreement; or

waive compliance with any of the agreements or conditions of the other party contained in the merger agreement which may be legally waived.

Any extension or waiver will be valid only if set forth in writing and signed by the party granting the waiver.

Expenses

The merger agreement provides that all costs and expenses incurred in connection with the merger, the merger agreement and the transactions contemplated thereby (other than any termination fees, see The Merger Agreement Termination) will be paid by the party incurring or required to incur such expenses whether or not the merger is consummated, except that expenses incurred in connection with the filing and mailing of this proxy statement/ prospectus and filing of the registration statement, of which this proxy statement/ prospectus is a part, will be shared equally by ALLTEL and Western Wireless.

VOTING AGREEMENT

The following is a summary of selected provisions of the voting agreement. This summary is qualified in its entirety by reference to the voting agreement, which is incorporated by reference in its entirety and attached to this proxy statement/ prospectus as Annex B. We urge you to read this agreement in its entirety.

Contemporaneously with entering into the merger agreement, ALLTEL entered into a voting agreement with the following holders of Western Wireless common stock: John W. Stanton, Theresa E. Gillespie, the Stanton Family Trust, PN Cellular, Inc. and Stanton Communications Corporation (see Securities Ownership of Certain Beneficial Owners and Management). All of the shares of Western Wireless common stock beneficially owned by these shareholders are subject to the voting agreement. As of the record date for Western Wireless annual meeting, these shareholders held 5,867,658 shares of

Western Wireless Class A common stock and 6,050,693 shares of Class B common stock, representing approximately 41% of the number of votes entitled to be cast.

Each of the shareholders noted above are obligated by the voting agreement to vote their shares in favor of the approval and adoption of the merger agreement and the merger. Unless ALLTEL consents to the contrary, these shareholders also are required by the voting agreement to vote against proposals of any third party relating to the merger of Western Wireless or acquisition of 20% or more of the assets of Western Wireless and its subsidiaries, taken as a whole, or 20% or more of the common stock of Western Wireless. These shareholders also may not in any manner participate in a solicitation (as that term is used in the rules of the SEC) of proxies or similar rights to vote, or seek to advise or influence any person with respect to voting intended to facilitate any such alternative merger or acquisition or to cause Western Wireless shareholders not to vote to approve and adopt the merger agreement. Further, these shareholders may not, directly or indirectly, enter into, solicit, or otherwise conduct any discussions or negotiations with, or respond to or provide any information to, anyone other than ALLTEL relating to a proposal involving the merger of Western Wireless or acquisition of 20% or more of the assets of Western Wireless and its subsidiaries, taken as a whole, or 20% or more of the common stock of Western Wireless. In addition, these shareholders may not enter into any other agreements the effect of which is inconsistent with the requirements listed in this paragraph.

The voting agreement will terminate at any time upon notice by ALLTEL to the shareholders noted above or upon the earlier of (i) the approval and adoption of the merger agreement, (ii) the failure of the Western Wireless shareholders to vote to adopt and approve the merger and merger agreement at the shareholders meeting called for such purpose, or (iii) the termination of the merger agreement.

No shareholder noted above who is or becomes during the term of the voting agreement a director or officer of Western Wireless was deemed to make any agreement or understanding in the voting agreement in such shareholder s capacity as a director or officer. Each such shareholder entered into the voting agreement solely in his or her capacity as the record holder or beneficial owner of, or the trustee of a trust whose beneficiaries are the beneficial owners of, such shareholder s shares and nothing in the voting agreement limits or affects any actions taken by such shareholder in his or her capacity as a director or officer of Western Wireless to the extent specifically permitted by the merger agreement or following the termination of the merger agreement.

DISSENTERS RIGHTS

General

The following is a brief summary of the rights of holders of Western Wireless common stock under Chapter 23B.13 of the Washington Business Corporation Act, or the WBCA, to dissent from the merger, receive an appraisal as to the fair value of their shares of Western Wireless common stock and to receive cash equal to the appraised value of their Western Wireless common stock instead of receiving the merger consideration. This summary is not exhaustive, and you should read the applicable sections of Chapter 23B.13, a copy of which is attached to this proxy statement/ prospectus as Annex D.

Under Chapter 23B.13, where a proposed merger is to be submitted for approval at a meeting of shareholders, as in the case of the Western Wireless annual meeting, the corporation in the notice of the meeting must state that shareholders are or may be entitled to assert dissenters rights and the notice must be accompanied by a copy of the dissenters rights statute. The notice of annual meeting at the front of this proxy statement/ prospectus constitutes notice to the holders of Western Wireless common stock and a copy of the dissenters rights statute is attached as Annex D.

If you are contemplating the possibility of exercising your dissenters rights in connection with the merger, you should carefully review the text of Annex D, particularly the procedural steps required to perfect dissenters rights, which are complex. We also encourage you to consult your legal counsel, at your expense, before attempting to exercise your dissenters rights. If you do not fully and precisely satisfy the procedural requirements of Washington law, you may lose your dissenters rights. If any Western Wireless shareholder who demands dissenters rights under Washington law withdraws or loses (through failure to perfect or otherwise) the right to dissent, then such shareholder s shares will no longer be dissenting shares and will automatically be converted into the right to receive $9.25 in cash and 0.535 shares of ALLTEL common stock. Western Wireless will not give you any notice other than as described in this proxy statement/ prospectus as required by Washington law.

Requirements for Exercising Dissenters Rights

To preserve your right if you wish to exercise your statutory dissenters rights, you must:

- deliver to Western Wireless before the vote is taken at the Western Wireless annual meeting regarding the merger agreement and the merger, written notice of your intent to exercise your dissenters rights and demand payment for your shares of Western Wireless common stock if the merger is completed, which notice must be separate from your proxy. Your vote against the merger agreement alone will not constitute written notice of your intent to exercise your dissenters rights;

- not vote your shares in favor of the merger agreement; and

- follow the statutory procedures for perfecting dissenters rights under Washington law, which are described below under the heading Appraisal Procedures.

If you do not satisfy each of the requirements, you cannot exercise dissenters rights and, if the merger agreement is approved by the Western Wireless shareholders and the merger occurs, your shares of Western Wireless common stock will be converted into the right to receive the merger consideration pursuant to the terms of the merger agreement.

Vote. Your shares must either not be voted at the Western Wireless annual meeting or must be voted against the approval of the merger agreement. Submitting a properly signed proxy card that is received prior to the vote at the Western Wireless annual meeting that does not direct how the shares of Western Wireless common stock represented by that proxy are to be voted will constitute a vote in favor of the merger and a waiver of your statutory dissenters rights.

Notice. Written notice of your intent to exercise dissenters rights must be filed with Western Wireless at:

Western Wireless Corporation
Attn: Investor Relations
3650 131st Avenue SE
Bellevue, Washington 98006

It is important that Western Wireless receive all written notices before the Western Wireless annual meeting. Your written notice to demand payment should specify your name and mailing address, the number of shares of Western Wireless common stock you own, and that you intend to demand cash payment for your shares of Western Wireless common stock if the merger agreement is approved.

Appraisal Procedures

If the merger agreement is approved by Western Wireless shareholders, within ten days after the approval, Western Wireless will send written notice regarding the proper procedures for dissenting to all shareholders who have given written notice under the dissenters rights provisions and have not voted in favor of the merger as described above. The notice will contain:

- the address where the demand for payment and certificates representing shares of Western Wireless common stock must be sent and the date by which certificates must be deposited;

- the date on which your payment demand must be received by Western Wireless, which date will not be fewer than 30 nor more than 60 days after the date the written notice is delivered to you;

- a form for demanding payment that states the date of the first announcement to the news media or to shareholders of the proposed merger (January 10, 2005) and requires certification from the person asserting dissenters rights of whether or not the person acquired beneficial ownership of Western Wireless common stock before the date of the first announcement; and

- a copy of Chapter 23B.13 of the WBCA.

If you wish to assert dissenters rights, you must demand payment, certify that you acquired beneficial ownership of your shares before January 10, 2005, and deposit your Western Wireless certificates within the specified number of days after the notice is given. If you fail to make demand for payment and deposit your Western Wireless certificates within the time period set forth in the written notice, you will lose the right to demand appraisal for your shares under the dissenters rights provisions, even if you filed a timely notice of intent to demand payment.

If Western Wireless does not consummate the merger within 60 days after the date set for demanding payment, Western Wireless will return all deposited certificates. If after returning the deposited certificates, Western Wireless wishes to consummate the merger, it must send a new dissenters notice and repeat the payment demand procedure. If Western Wireless does not effect the merger and does not return the deposited certificates within 60 days after the date which it had set for demanding payment, you may notify Western Wireless in writing of your estimate of the fair value of your Western Wireless common stock plus the amount of interest due and demand payment of your estimated amount.

Except as provided below, within 30 days after the later of the effective time of the merger or the receipt by Western Wireless of a valid demand for payment, Western Wireless will remit to each dissenting shareholder who complied with the requirements of Washington law the amount Western Wireless estimates to be the fair value of the shareholder s Western Wireless common stock, plus accrued interest, and will include the following information with the payment:

- financial data relating to Western Wireless, including a balance sheet, an income statement, a statement of changes in shareholders equity as of and for a fiscal year ended not more than sixteen months before the date of payment, and the latest available interim financial statements, if any;

- an explanation by Western Wireless of how it estimated the fair value of the shares;

an explanation by Western Wireless of how the interest was calculated;

a statement of the dissenter s right to demand supplemental payment if such shareholder believes that the amount paid is less than the fair value of the shares or under certain other circumstances enumerated in the statute and described below; and

a copy of Chapter 23B.13 of the WBCA.

For dissenting shareholders who were not the beneficial owners of their shares of Western Wireless common stock before January 10, 2005, Western Wireless may withhold payment and instead send a statement setting forth its estimate of the fair value of their shares and offering to pay such amount, with interest, as a final settlement of the dissenting shareholder s demand for payment. Payment of the fair value of these after-acquired shares may be conditional upon the dissenting shareholder s waiver of other rights under Chapter 23B.13 of the WBCA. Western Wireless will also include in such statement an explanation of how it estimated the fair value of the shares and of how the interest was calculated and a notice of the dissenter s right to demand payment of the dissenter s estimate of the fair value of the shares and the amount of interest due if such dissenting shareholder believes that the amount offered is less than the fair value of the shares or under certain other circumstances enumerated in the statute and described below.

If you believe the payment or offer for payment of Western Wireless is less than the fair value of your shares or believe that the interest due is incorrectly calculated, you may, within 30 days of the payment or offer for payment, notify Western Wireless in writing, and demand payment of, your estimate of the fair value of your shares and the amount of interest due. You may also demand payment of your estimate of the fair value of the shares if Western Wireless fails to make payment for your shares within 60 days after the date set for demanding payment or does not effect the merger and does not return the deposited certificates within 60 days after the date set for demanding payment. If any dissenting shareholder s demand for payment of the dissenter s own estimate of the fair value of the shares is not settled within 60 days after receipt by Western Wireless of such shareholder s demand for payment of his or her own estimate, Washington law requires that Western Wireless commence a proceeding in King County Superior Court and petition the court to determine the fair value of the shares and accrued interest, naming all the dissenting shareholders whose demands remain unsettled as parties to the proceeding. If Western Wireless does not commence the proceeding within the 60-day period, it will pay each dissenter whose demand remains unsettled the amount demanded.

The court may appoint one or more appraisers to receive evidence and make recommendations to the court as to the amount of the fair value of the shares. The fair value of the shares as determined by the court is binding on all dissenting shareholders and may be less than, equal to or greater than the value of the merger consideration to be issued to non-dissenting shareholders for their Western Wireless common stock under the terms of the merger agreement if the merger is consummated. If the court determines that the fair value of the shares plus interest is in excess of any amount remitted by Western Wireless, then the court will enter a judgment for cash in favor of the dissenting shareholders in an amount by which the value determined by the court, plus interest, exceeds the amount previously remitted. For dissenting shareholders who were not the beneficial owners of their shares of Western Wireless common stock before January 10, 2005 and for which Western Wireless withheld payment pursuant to Section 23B.13.270 of the WBCA, the court may enter judgment for the fair value, plus accrued interest, of the dissenting shareholders after-acquired shares.

The court will also determine the costs and expenses of the court proceeding and assess them against Western Wireless, except that the court may assess the costs against all or some of the dissenters whose actions in demanding payment of their own estimates of value are found by the court to be arbitrary, vexatious or not in good faith. If the court finds that Western Wireless did not substantially comply with the relevant provisions of Sections 23B.13.200 through 23B.13.280 of the WBCA, the court may also assess against Western Wireless any fees and expenses of attorneys or experts that the court deems equitable. The court may also assess those fees and expenses against any party if the court finds that the party has acted arbitrarily, vexatiously or not in good faith with respect to dissenters rights. If the court

finds that the services of counsel for any dissenter were of substantial benefit to other dissenters similarly situated, and that the fees for those services should not be assessed against the corporation, the court may award to counsel reasonable fees to be paid out of the amounts awarded the dissenters who were benefited.

A shareholder of record may assert dissenters rights as to fewer than all of the shares registered in the shareholder s name only if he or she dissents with respect to all shares beneficially owned by any one person and notifies Western Wireless in writing of the name and address of each person on whose behalf he or she asserts dissenters rights. The rights of the partially dissenting record shareholder are determined as if the shares as to which he or she dissents and his or her other shares were registered in the names of different shareholders. Beneficial owners of Western Wireless common stock who desire to exercise dissenters rights themselves must obtain and submit the registered owner s written consent at or before the time they file the notice of intent to demand payment, and the beneficial owner must do so with respect to all shares of which such shareholder is the beneficial shareholder or over which such shareholder has power to direct the vote.

For purposes of Washington law, fair value means the value of Western Wireless common stock immediately before the effective time of the merger, excluding any appreciation or depreciation in anticipation of the merger, unless that exclusion would be inequitable. Under Section 23B.13.020 of the WBCA, a Western Wireless shareholder has no right, at law or in equity, to challenge the approval of the merger agreement or the consummation of the merger except if the approval or consummation fails to comply with the procedural requirements of Title 23B of the WBCA, the articles of incorporation or by-laws of Western Wireless or was fraudulent with respect to that shareholder or Western Wireless.

DESCRIPTION OF ALLTEL CAPITAL STOCK

The following summary is qualified in its entirety by the Delaware General Corporation Law (the DGCL), the Amended and Restated Certificate of Incorporation of ALLTEL, as amended (the ALLTEL Certificate) and ALLTEL s Rights Agreement (described below). The ALLTEL Certificate is included as an exhibit to the registration statement on Form S-4 of which this proxy statement/ prospectus is a part, and the Rights Agreement is an exhibit to ALLTEL s Annual Report on Form 10-K (where it is incorporated by reference to ALLTEL s Registration Statement on Form 8-A filed February 4, 1997) each of which are on file with the SEC. See Where You Can Find More Information.

General

The authorized capital stock of ALLTEL consists of 1,000,000,000 shares of ALLTEL common stock, par value $1 per share, 50,000,000 shares of voting cumulative preferred stock, par value $25 per share (the ALLTEL Voting Preferred Stock) and 50,000,000 shares of cumulative non-voting preferred stock, no par value (the ALLTEL Non-Voting Preferred Stock).

ALLTEL Common Stock and Related Rights

The holders of the ALLTEL common stock have one vote per share on matters submitted to a vote of shareholders. Such holders vote as a class together with the holders of ALLTEL Voting Preferred Stock. All shares of ALLTEL common stock will participate equally in the distribution of property remaining after payment of liquidation preferences on preferred stock and after satisfaction of all other claims, on liquidation, dissolution or winding up of the affairs of ALLTEL. Such shares will also equally participate in all dividends declared by the ALLTEL board. The outstanding shares of ALLTEL common stock are fully paid and non-assessable. The ALLTEL common stock has no preemptive rights, no cumulative voting rights and no redemption, sinking fund or conversion provisions. At December 31, 2004, there were 302,267,959 shares of ALLTEL common stock issued and outstanding.

The ALLTEL by-laws provide for a classified board consisting of three classes of directors with each class being elected for a term of three years. The number of directors in each class may be fixed or changed from time to time by either (i) a majority of shareholders represented and entitled to vote at a meeting called for the purpose of electing directors or (ii) the affirmative vote of the majority of directors then in office.

ALLTEL is party to a Rights Agreement (the Rights Agreement), dated January 30, 1997 (the Dividend Declaration Date) pursuant to which ALLTEL s board declared a dividend of one right (Right) for each share of ALLTEL common stock outstanding on February 9, 1997 (the Record Date) and for each share of ALLTEL common stock issued between the Record Date and the Distribution Date (defined below). Each holder of a Right may purchase from ALLTEL, upon the occurrence of certain events, 1/1000 of a share of ALLTEL s Series K Cumulative Voting Preferred Stock, par value $25 per share (the Series K Stock) at a price of $100.00 per 1/1000 of a share (the Purchase Price). The number of Rights per share of ALLTEL common stock, the number of shares of Series K Stock for which each Right is exercisable and the Purchase Price are subject to adjustment as described below.

The certificates for the ALLTEL common stock evidence the Rights. A separate certificate for each Right will be issued on the close of business on the tenth business day after the earliest to occur of the following two events (the earlier of such dates being called the Distribution Date);

the public announcement that any person (other than ALLTEL, any subsidiary of ALLTEL or any employee benefit plan of ALLTEL) together with its affiliates and associates (an Acquiring Person), beneficially owns 15% or more of ALLTEL common stock; or

the close of business on the tenth business day after any person commences a tender or exchange offer if upon completion that person would beneficially own 15% or more of ALLTEL common stock.

The Rights Agreement provides that, until the Distribution Date, the Rights will only be transferred with the ALLTEL common stock. The Rights are not exercisable until the Distribution Date and will expire at the close of business on January 31, 2007 (Final Expiration Date), unless earlier redeemed by ALLTEL as described below.

If an Acquiring Person acquires 15% or more of ALLTEL common stock (the Stock Acquisition Date) then each holder of a Right shall have the right to purchase at the then current Purchase Price and in lieu of Series K Stock, shares of ALLTEL common stock having a value equal to two times the Purchase Price. If an Acquiring Person acquires 15% or more of ALLTEL common stock pursuant to a tender offer or an exchange offer at a price and on terms determined by at least a majority of the Rights Agreement Continuing Directors (defined below) to be in the best interest of ALLTEL and its shareholders (a Qualifying Offer), then Rights holders shall not be entitled to exercise the Rights. The term Rights Agreement Continuing Director means: (a) any member of the ALLTEL board who is not an Acquiring Person or an affiliate or associate of such person, and who was a member of the ALLTEL board prior to the date of the Rights Agreement or (b) any person who subsequently becomes a member of the ALLTEL board if the member s election to the ALLTEL board is recommended or approved by a majority of the Rights Agreement Continuing Directors.

Except for certain transactions involving a Qualifying Offer, if following the Stock Acquisition Date either:

ALLTEL engages in a merger or other business combination transaction in which ALLTEL does not survive,

ALLTEL engages in a merger or other business combination transaction with another person in which ALLTEL survives, but in which ALLTEL common stock is changed or exchanged, or

50% or more of ALLTEL s assets, cash flow or earning power is sold or transferred, the Rights Agreement provides that each holder of a Right will thereafter have the right to purchase at the then current Purchase Price, common stock of the acquiring company having a value equal to two times the Purchase Price.

The Purchase Price payable, and the number of shares of Series K Stock or other securities or property issuable, on exercise of the Rights, are subject to adjustment from time to time to prevent dilution following stock dividends, subdivisions, combinations, reclassifications, warrant or right grants or distributions. Also, if prior to the Distribution Date ALLTEL declares a dividend on, subdivides or combines into a smaller number the outstanding shares of ALLTEL common stock, then the number of Rights associated with each share of ALLTEL common stock shall be proportionately adjusted in such a manner that the total number of outstanding Rights is unchanged.

Until the close of business on the tenth business day following the Stock Acquisition Date, the ALLTEL board of directors by majority vote may redeem and terminate the Rights at a price of $0.01 per Right (the Right Redemption Price). ALLTEL may, at its option, pay the Right Redemption Price in cash, ALLTEL common stock, or any other form of consideration deemed appropriate by the ALLTEL Board.

Until a Right is exercised, a Right holder has no rights as a shareholder of ALLTEL, including, without limitation, the right to vote or to receive dividends and such Rights have no dilutive effect on the earnings of ALLTEL.

Prior to the Distribution Date, ALLTEL may amend the Rights Agreement without the approval of Rights holders. Following the Distribution Date, ALLTEL may amend the Rights Agreement without the approval of Rights holders to:

- cure any ambiguity;
- correct or supplement any defective or inconsistent provision;
- shorten or lengthen any required time period; or
- change any provisions in the Rights Agreement in any manner which does not adversely affect the interests of the Rights holders (other than an Acquiring Person).

However, the Rights Agreement may not be amended to lengthen a time period relating to when the Rights may be redeemed if the Rights are not then redeemable, or to lengthen any other time period unless such lengthening is for the purpose of protecting the Rights holders. Additionally, after the Distribution Date ALLTEL may not make any amendment to the Rights Agreement that changes the Rights Redemption Price, the Final Expiration Date, the Purchase Price or the number of 1/1000 of a share of Series K Stock for which a Right is exercisable.

The Rights have certain anti-takeover effects. The Rights will cause substantial dilution to a person or a group that attempts to acquire ALLTEL without conditioning the offer on: (a) the Rights being redeemed; (b) a substantial number of Rights being acquired; or (c) being deemed a Qualifying Offer under the Rights Agreement. However, the Rights should not interfere with any merger or business combination in connection with a Qualifying Offer or that is approved by ALLTEL.

Delaware Anti-Takeover Statute

Section 203 of the DGCL restricts business combinations with certain interested shareholders (defined under the DGCL to include persons who beneficially own or acquire 15% or more of a Delaware corporation s voting stock, with the exception of any person who owned and has continued to own shares in excess of the 15% limitation since December 23, 1987, hereinafter a Section 203 Interested Shareholder). Section 203, which applies to ALLTEL, prohibits business combination transactions between a publicly held Delaware corporation and any Section 203 Interested Shareholder for a period of three years after the date on which the Section 203 Interested Shareholder became an interested shareholder unless: (a) prior to that date the corporation s board of directors approved either the proposed business combination or the transaction which resulted in the Section 203 Interested Shareholder becoming an interested shareholder; (b) upon consummation of the transaction which resulted in the Section 203 Interested Shareholder becoming an interested shareholder, the Section 203 Interested Shareholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned (i) by persons who are directors and also officers; and (ii) by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or (c) on or subsequent to such date the business combination is approved by the corporation s board of directors and authorized at an annual or special meeting of shareholders, and not by written consent, by the affirmative vote of at least $66^{2}/3\%$ the outstanding voting stock which is not owned by the Section 203 Interested Shareholder.

Fair Price Provisions

In addition to the provisions of Section 203, the ALLTEL Certificate contains certain fair price provisions which impose further conditions on the consummation of business combination transactions (Section 203 Business Combinations). The ALLTEL Certificate requires the holders of at least 85% of the voting power of the outstanding shares of any class of stock of ALLTEL entitled to vote generally in the election of directors to approve all Section 203 Business Combinations involving ALLTEL and a Section 203 Interested Shareholder unless: (a) after becoming a Section 203 Interested Shareholder, such person shall (i) have taken steps to ensure the ALLTEL Continuing Directors (as defined below) maintain representation on the ALLTEL board proportionate to the stockholdings of the holders of ALLTEL voting stock not affiliated with the Section 203 Interested Shareholder; (ii) the Section 203 Interested Shareholder shall not have acquired newly issued securities from ALLTEL (except in certain limited circumstances); and (iii) the Section 203 Interested Shareholder shall not have acquired any additional outstanding voting stock, or securities convertible into voting stock, except as part of the transaction that resulted in the Section 203 Interested Shareholder becoming an interested shareholder, and (b) certain minimum price and other procedural requirements are met in connection with the proposed transaction with the Section 203 Interested Shareholder.

The term ALLTEL Continuing Directors is defined as any person who was a member of the ALLTEL board and elected by shareholders prior to the time when the Section 203 Interested Shareholder acquired in excess of 5% of the voting stock of ALLTEL, or any person recommended to succeed a ALLTEL Continuing Director by a majority of the ALLTEL Continuing Directors. Although neither Section 203, nor the ALLTEL fair price provision or ALLTEL Certificate, would preclude the holders of a controlling interest from exercising control over ALLTEL and would not prevent a hostile acquisition of control of ALLTEL, such provisions may have the effect of discouraging or making more difficult a hostile acquisition of control.

Rights of Appraisal

Under the DGCL, ALLTEL shareholders may exercise a right to dissent from certain corporate actions and obtain payment of the fair value of their shares. This remedy is an exclusive remedy, except where the corporate action involves fraud or illegality. The DGCL provides appraisal rights only in certain mergers or consolidations and not (unless the certificate of incorporation of a corporation so provides, which the ALLTEL Certificate does not) for a sale or transfer of all or substantially all of a corporation s assets or an amendment to its certificate of incorporation. Moreover, the DGCL does not provide appraisal rights in connection with a merger or consolidation (unless the certificate of incorporation so provides, which the ALLTEL Certificate does not) to the holders of shares of a constituent corporation listed on a national securities exchange (or designated as a national market system security by the National Association of Securities Dealers, Inc.) or held of record by more than 2,000 shareholders, unless the applicable agreement of merger or consolidation requires the holders of such shares to receive, in exchange for such shares, any property other than shares of stock of the resulting or surviving corporation, shares of stock of any other corporation listed on a national securities exchange (or designated as described above) or held of record by more than 2,000 holders, cash in lieu of any fractional shares or any combination of the foregoing. In addition, the DGCL denies appraisal rights if the shareholders of the surviving corporation in a merger did not have to vote to approve the merger.

Appraisal rights are not available to ALLTEL shareholders with respect to the merger.

ALLTEL Preferred Stock

The Board of Directors of ALLTEL may issue (without obtaining shareholder approval) shares of preferred stock in such series as it deems appropriate. As of December 31, 2004, there were no shares of ALLTEL Voting Preferred Stock and a total of 44,478 shares of ALLTEL Non-Voting Preferred Stock issued and outstanding. ALLTEL has reserved 500,000 shares of Series K Stock for future issuance under the Rights Agreement discussed above.

Prior to the issuance of shares of any series of preferred stock, the ALLTEL Board is required by the DGCL and the ALLTEL Certificate to fix, for each series, the designations, powers and preferences and the relative, participating, optional or other special rights of the shares of each series and any qualifications, limitations and restrictions thereof, as are permitted by Delaware Law, including:

- the distinctive serial designation and the number of shares constituting such series;
- the dividend rates or the amount of dividends to be paid on the shares of such series, whether dividends shall be cumulative and, if so, from which date or dates, the payment and record date or dates for dividends, and the participating and other rights, if any, with respect to dividends;
- the voting powers, full or limited, if any, of the shares of such series;
- whether the shares of such series shall be redeemable and, if so, the price or prices at which, and the terms and conditions on which, such shares may be redeemed;
- the amount or amounts payable upon the shares of such series and any preferences applicable thereto in the event of voluntary or involuntary liquidation, dissolution or winding up of the company;
- whether the shares of such series shall be entitled to the benefit of a sinking or retirement fund to be applied to the purchase or redemption of such shares, and if so entitled, the amount of such fund and the manner of its application, including the price or prices at which such shares may be redeemed or purchased through the application of such fund;
- whether the shares of such series shall be convertible into, or exchangeable for, shares of any other class or classes or of any other series of the same or any other class or classes of stock of ALLTEL or a subsidiary and, if so convertible or exchangeable, the conversion price or prices, the rate or rates of exchange, and the adjustments thereof, if any, at which such conversion or exchange may be made, and any other terms and conditions of such conversion or exchange;
- the price or other consideration for which the shares of such series shall be issued;
- whether the shares of such series which are redeemed or converted shall have the status of authorized but unissued shares of undesignated preferred stock (or series thereof) and whether such shares may be reissued as shares of the same or any other class or series of stock; and
- such other powers, preferences, rights, qualifications, limitations and restrictions thereof as the board of directors may deem advisable.

Equity Units

During 2002, ALLTEL issued and sold 27.7 million equity units in an underwritten public offering. Each equity unit consists of a corporate unit, with a $50 stated amount, and was initially comprised of a purchase contract and $50 principal amount of senior notes. On February 17, 2005, ALLTEL completed the remarketing of approximately $1.385 billion aggregate principal amount of its senior notes underlying the corporate units. The remarketing was required under the terms of the equity units. The primary purpose of the remarketing was to use the proceeds of the remarketed notes to acquire, on behalf of the corporate unit holders under the stock purchase contract component of the corporate units, a portfolio of U.S. Treasury securities that would provide liquidity to satisfy the unit holders obligations to purchase ALLTEL common stock under the purchase contract.

The purchase contract obligates the holder to purchase, and obligates ALLTEL to sell, on May 17, 2005, for $50, a variable number of newly issued common shares of ALLTEL. The number of ALLTEL shares issued will be determined at the time the purchase contracts are settled based upon the then current price of ALLTEL s common stock. If the price of ALLTEL common stock is equal to or less than $49.50, then ALLTEL will deliver 1.0101 shares to the holder of the equity unit. If the price of ALLTEL common stock is greater than $49.50 but less than $60.39, then ALLTEL will deliver a fraction of shares equal to $50 divided by the then current price of its common stock. Finally, if the price of ALLTEL common stock is equal to or greater than $60.39, then ALLTEL will deliver 0.8280 shares to the holder. Accordingly, upon settlement of the purchase contracts on May 17, 2005, ALLTEL will receive proceeds of approximately $1.385 billion and will deliver between 22.9 million and 28.0 million common shares in the aggregate. The proceeds will be credited to shareholders equity and allocated between the common stock and additional paid-in-capital accounts. ALLTEL will make quarterly contract adjustment payments to the equity unit holders at a rate of 1.50 percent of the stated amount per year until the purchase contract is settled, although ALLTEL has the right to defer these payments until no later than May 17, 2005.

While the settlement of the purchase contracts will provide additional liquidity to ALLTEL, the issuance of ALLTEL common stock in connection therewith will increase the total number of shares of ALLTEL common stock outstanding. Because the settlement of the purchase contracts is not an event that results in an adjustment to the merger consideration to be paid in ALLTEL common stock, Western Wireless shareholders will own a smaller percentage of ALLTEL than they would have owned if the settlement of the purchase contracts were not to occur. Additionally, the market price of ALLTEL s common stock could be negatively impacted by the issuance of the additional shares pursuant to the purchase contracts, which would reduce the value of the ALLTEL common stock Western Wireless shareholders receive as a portion of the merger consideration.

The corporate units are listed on the NYSE under the symbol AYZ. All references to shares of ALLTEL common stock issued and outstanding in this proxy statement/ prospectus exclude any shares of ALLTEL common stock that may be issuable in the future pursuant to the corporate units.

Transfer and Rights Agent, Registrar

First Union National Bank serves as the registrar and transfer and rights agent for ALLTEL common stock.

Stock Exchange Listing

ALLTEL common stock is listed on the NYSE and the Pacific Stock Exchange. The trading symbol for ALLTEL common stock on these exchanges is AT.

COMPARISON OF RIGHTS OF ALLTEL AND WESTERN WIRELESS SHAREHOLDERS

Upon completion of the merger, holders of Western Wireless common stock (other than ALLTEL, Merger Sub, Western Wireless or any of their respective subsidiaries and shareholders who properly exercise their dissenters rights) will become entitled to receive ALLTEL common stock. ALLTEL is incorporated under the laws of the State of Delaware and Western Wireless is incorporated under the laws of the State of Washington. Before the completion of the merger, the rights of holders of Western Wireless common stock are governed by the Washington Business Corporation Act, or the WBCA, the amended and restated articles of incorporation of Western Wireless and the by-laws of Western Wireless. After the completion of the merger, Western Wireless shareholders will become shareholders of ALLTEL, and their rights will be governed by the Delaware General Corporation Law, or the DGCL, the restated certificate of incorporation of ALLTEL, as amended, and by-laws of ALLTEL, as amended.

Although there are substantial similarities between the WBCA and the DGCL as well as between the charters and by-laws of ALLTEL and Western Wireless, a number of differences do exist. The following is a summary of the material differences between the rights of ALLTEL shareholders and the rights of Western Wireless shareholders. Although we believe that this summary covers the material differences between the two, this summary may not contain all of the information that is important to you. This summary is not intended to be a complete discussion of the respective rights of ALLTEL shareholders and Western Wireless shareholders and it is qualified in its entirety by reference to the DGCL, the WBCA, and the various documents of ALLTEL and Western Wireless we refer to in this summary. You should carefully read this entire proxy statement/prospectus, the other documents we refer to in this proxy statement/prospectus and the documents incorporated by reference in this proxy statement/prospectus for a more complete understanding of the differences between being a shareholder of ALLTEL and being a shareholder of Western Wireless. ALLTEL and Western Wireless have filed with the SEC their respective documents referred to herein and will send copies of these documents to you upon your request. See the section entitled Where You Can Find More Information.

	ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
Authorized Capital Stock; Voting	ALLTEL s certificate of incorporation provides that the authorized capital stock of ALLTEL consists of (i) 100,000,000,000 shares of common stock, $1.00 par value per share, (ii) 50,000,000 shares of voting cumulative preferred stock, par value $25.00 per share, and (iii) 50,000,000 shares of no par cumulative non-voting preferred stock, having no par value per share. Each share of ALLTEL common stock is entitled to one vote per share.	The amended and restated articles of incorporation of Western Wireless provide that the authorized capital stock of Western Wireless consists of 300,000,000 shares of common stock, no par value per share (of which 237,276,129 are designated Class A Common Stock and 62,723,871 are designated Class B Common Stock) and 50,000,000 shares of preferred stock, no par value per share. Each share of Class A Common Stock entitles the holder to one vote, and each share of Class B Common Stock entitles the holder to ten votes.
Size of Board of Directors	Delaware law provides that the board of directors of a Delaware corporation must consist of one or more directors with the number specified in or fixed in accordance with the certificate of incorporation or by-laws. The ALLTEL	Washington law provides that the board of directors of a Washington corporation must consist of one or more directors, with the number specified in or fixed in accordance with the articles of incorporation or by-laws. The

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	ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
	by-laws provide that the number of directors will be fixed from time to time by the ALLTEL board of directors. The ALLTEL by-laws provide that the board of directors be divided into three classes with each class having at least three directors. The number of directors in each class may be fixed or changed from time to time. The number of ALLTEL directors is currently fixed at thirteen.	Western Wireless articles of incorporation provide that the number of directors shall be specified in, and may from time to time be increased in such manner as may be prescribed in, the by-laws. The by-laws of Western Wireless provide that the board of directors shall consist of at least one and not more than nine members as determined by the shareholders or the board of directors. The number of Western Wireless directors is currently fixed at nine.
Cumulative Voting	Delaware law allows for a corporation s certificate of incorporation to permit shareholders to cumulate their votes. However, the certificate of incorporation of ALLTEL does not so provide, and accordingly, holders of ALLTEL common stock have no cumulative voting rights in connection with the election of directors.	Under Washington law, unless a corporation s articles of incorporation provide otherwise, shareholders are permitted to cumulate their votes in connection with the election of directors. The articles of incorporation of Western Wireless provide that there is to be no cumulative voting.
Special Meetings of Shareholders	Under Delaware law, a special meeting of the shareholders may be called by the board of directors of the corporation or by any other person authorized to do so in the certificate of incorporation or by-laws. The ALLTEL by-laws provide that a special meeting may be convened at any time by the chairman, the president or the secretary, by the directors acting at a meeting or a majority of the directors acting without a meeting.	Under Washington law, a special meeting of the shareholders may be called by a corporation s board of directors, the persons authorized to do so in the corporation s articles of incorporation or by-laws or, unless limited or denied by a corporation s articles of incorporation, by the holders of at least 10% of all the votes entitled to be cast on any issue proposed to be considered at the special meeting. The Western Wireless by-laws provide that, except as otherwise provided by law, special meetings of shareholders will be held whenever called by the board of directors or an authorized committee of the board of directors.
Notice of Shareholder Meetings	In accordance with Delaware law, ALLTEL s by-laws provide that written notice of any shareholders meeting must be given to each shareholder entitled to vote not less than 10 or more than 60 days before the date of the meeting.	The Western Wireless by-laws provide that written notice of any shareholders meeting must be given to each shareholder entitled to vote not less than 10 nor more than 60 days before the meeting, unless a greater period of notice is required by law in a particular case. Washington law states that notice of not less than 20 or more

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	ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
		60 days before the shareholder meeting must be given in the case of a meeting to act on an amendment to the articles of incorporation, a plan of merger or share exchange, the sale, lease, exchange or other disposition of all or substantially all of the corporation s assets or the dissolution of the corporation.
Action by Written Consent of Shareholders Without a Meeting	As permitted by Delaware law, the ALLTEL by-laws provide that any action that may be taken at a meeting of the shareholders may be taken without a meeting, without prior notice and without a vote, but only if written consents approving the action are signed by all shareholders entitled to vote on the action and delivered to the corporation or the appropriate officer.	Under Washington law and the Western Wireless by-laws, action by the shareholders may be taken without a meeting only if written consents approving the action are signed by all shareholders entitled to vote on the action and delivered to the corporation.
Removal of Directors	Delaware law provides that shareholders holding a majority of shares entitled to vote may remove any director or the entire board of directors; provided, however, that in the case of a Delaware corporation with a classified board, unless otherwise provided in the certificate of incorporation, shareholders may only remove a director for cause. ALLTEL has a classified board of directors but because the certificate of incorporation does not contain this provision, shareholders holding a majority of the shares may only remove a director for cause.	Under Washington law, a director may be removed with or without cause unless a corporation s articles of incorporation provide that directors may be removed only for cause. The articles of incorporation of Western Wireless do not so provide. Under the articles of incorporation of Western Wireless, a director may be removed by the shareholders only at a special meeting and such director will be removed upon the affirmative vote of not less than a majority of the number of votes attributable to all shares of capital stock of the corporation outstanding and entitled to vote.
Vacancies on the Board of Directors	Delaware law provides that, unless the governing documents of a Delaware corporation provide otherwise, vacancies and newly created directorships resulting from a resignation or an increase in the authorized number of directors may be filled by a majority of the directors then in office, although less than a quorum. ALLTEL s certificate of incorporation and by-laws provide that vacancies resulting from increases in	Under Washington law, unless a corporation s articles of incorporation provide otherwise, a vacancy on the board of directors, including a vacancy resulting from an increase in the number of directors, may be filled by the shareholders, by the board of directors, or if the directors in office constitute fewer than a quorum, by the affirmative vote of a majority of all the directors in office. The articles of incorporation and by-laws of Western Wireless provide that a

the size of any class of directors or otherwise from the	vacancy may be

	ALLTEL Shareholder Rights	**Western Wireless Shareholder Rights**
	removal, resignation, death or disqualification of any director shall be filled by the affirmative vote of a majority of the remaining directors, even if less than a quorum.	filled by the affirmative vote of a majority of the remaining directors, even if less than a quorum.
Amendment of Articles of Incorporation or Certificate of Incorporation	Under Delaware law, unless a higher vote is required in the certificate of incorporation of a corporation, an amendment to such certificate of incorporation generally may be approved by a majority of the outstanding shares entitled to vote on the proposed amendment. Notwithstanding any provision of a corporation s certificate of incorporation to the contrary, under Delaware law, holders of a class of a corporation s stock are entitled to vote as a class on the approval and adoption of any amendment to the corporation s certificate of incorporation which would: increase or decrease the aggregate number of authorized shares of such class (subject to certain exceptions); increase or decrease the par value of the shares of such class; or alter or change the powers, preferences or rights of such class so as to affect them adversely. Under the ALLTEL certificate of incorporation, the affirmative vote of the holders of at least 85% of the voting stock of ALLTEL is required to approve an amendment to the ALLTEL fair price provision, unless such amendment is recommended to ALLTEL shareholders by a majority of the members of the ALLTEL Board and two-thirds of the ALLTEL continuing directors.	Under Washington law, a board of directors may adopt one or more amendments to the articles of incorporation to make certain ministerial changes without shareholder action, including changes to the corporate name and, if the corporation has only one class of shares outstanding, changes to the number of outstanding shares in order to effectuate a stock split or stock dividend, or changes to, or the elimination of, provisions with respect to the par value of a corporation s stock. Other amendments to the articles of incorporation must be recommended to the shareholders by the board of directors and the holders of a majority of the outstanding shares of stock entitled to vote on the amendment must approve the amendment unless another percentage is specified: in the articles of incorporation, by the board of directors as a condition to its recommendation or by the provisions of the WBCA. The articles of incorporation of Western Wireless provide that the provisions of the articles of incorporation may be repealed or amended only upon the affirmative vote of not less than a majority of the number of votes attributable to all shares of capital stock of the corporation outstanding and entitled to vote. However, the articles of incorporation also state that provisions relating to preemptive rights, cumulative voting and redemption of outstanding shares of capital stock may not be repealed or amended in any

	ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
		respect, unless such action is approved by the affirmative vote of not less than $66^{2}/3\%$ of the number of votes attributable to all shares of capital stock of the corporation outstanding and entitled to vote.
Amendment of By-laws	In accordance with Delaware law, ALLTEL s by-laws may be altered, amended or repealed by the shareholders or by the board of directors. New by-laws may also be adopted by the shareholders or board of directors. The alteration, amendment or repeal of the by-laws or the adoption of new by-laws, can be effected at any annual meeting of shareholders, any meeting of the board of directors, or at any special meeting of the shareholders.	Under Washington law, a corporation s board of directors can amend or repeal the by-laws, or adopt new by-laws, unless the articles of incorporation or the WBCA reserves this power exclusively to the shareholders in whole or in part (the articles of incorporation of Western Wireless do not do so) or if the shareholders, in amending or repealing a particular by-law, provide expressly that the board of directors may not amend or repeal that by-law. A corporation s shareholders may amend or repeal the by-laws, or adopt new by-laws.
Delivery and Notice Requirements of Shareholder Nominations and Proposals	The ALLTEL by-laws provide that for business to be brought at any annual meeting such business must be either (a) in accordance with a notice of annual meeting, (b) by or at the direction of the ALLTEL Board or (c) otherwise properly brought before the annual meeting by a shareholder. To be properly brought before an annual meeting by a shareholder, the shareholder must give timely notice in proper form to ALLTEL s Secretary and be received by ALLTEL not less than 90 nor more than 120 days prior to the one year anniversary of the annual meeting in the immediately preceding year. Other than the limitations described above in Special meetings of shareholders , the ALLTEL by-laws contain no provision regarding how actions may be brought by shareholders before a special meeting.	The by-laws of Western Wireless provide that any shareholder seeking to bring business before or to nominate a director at any meeting of shareholders, must deliver written notice to the principal executive offices of Western Wireless not less than (i) with respect to an annual meeting of shareholders, 120 calendar days in advance of the one-year anniversary of the date that Western Wireless proxy statement was released to shareholders in connection with the previous year s annual meeting, and (ii) with respect to a special meeting of shareholders, a reasonable time before Western Wireless proxy statement is to be released.
Proxies	Under Delaware law, each shareholder entitled to vote at a meeting of shareholders or to express consent or	Under Washington law, a proxy is valid for eleven months after receipt of the appointment form, unless the form

dissent to corporate action in writing	provides for a longer period. The proxy

	ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
	without a meeting may grant a proxy, but no such proxy may be voted or acted upon after 3 years from its date, unless the proxy provides for a longer period. A duly executed proxy will be irrevocable if it states that it is irrevocable and if, and only as long as, the appointment is coupled with an interest.	is revocable unless it states that it is irrevocable and the appointment is coupled with an interest.
Preemptive Rights	Delaware law provides that no shareholder will have any preemptive rights to purchase additional securities of the corporation unless the certificate of incorporation expressly grants these rights. ALLTEL s certificate of incorporation does not grant any preemptive rights.	Under Washington law, shareholders have preemptive rights unless the corporation s articles of incorporation provide otherwise. The articles of incorporation of Western Wireless provide that no statutory preemptive rights will exist with respect to the shares of capital stock of Western Wireless.
Shareholder Rights Plans	ALLTEL is party to the Rights Agreement pursuant to which ALLTEL s board declared a dividend of one Right for each share of ALLTEL common stock outstanding on February 9, 1997 and for each share of ALLTEL common stock issued between that date and the earlier of: the public announcement that any person (other than ALLTEL, its subsidiaries or its employee benefit plans) together with its affiliates and associates, beneficially owns 15% or more of ALLTEL common stock; or the close of business on the tenth business day after any person commences a tender or exchange offer if upon completion that person would beneficially own 15% or more of ALLTEL common stock. Each holder of a Right may purchase from ALLTEL, upon the occurrence of certain events, 1/1000 of a share of ALLTEL s Series K Stock at the Purchase Price.	Western Wireless does not have a shareholder rights plan.

The Rights are not exercisable until the earlier of the two events listed above

	ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
	and will expire at the close of business on January 31, 2007 unless earlier redeemed by ALLTEL. If an Acquiring Person acquires 15% or more of ALLTEL common stock then each holder of a Right shall have the right to purchase at the then current Purchase Price and in lieu of Series K Stock, shares of ALLTEL common stock having a value equal to two times the Purchase Price. The Rights have certain anti-takeover effects. The Rights will cause substantial dilution to a person or a group that attempts to acquire ALLTEL without conditioning the offer on: (a) the Rights being redeemed; (b) a substantial number of Rights being acquired; or (c) being deemed a Qualifying Offer under the Rights Agreement. See Description of ALLTEL Capital Stock ALLTEL Common Stock and Related Rights above for more information.	
Dividends	Subject to any restrictions contained in a corporation s certificate of incorporation, Delaware law generally provides that a corporation may declare and pay dividends out of surplus (defined as the excess, if any, of net assets (total assets less total liabilities) over capital) or, when no surplus exists, out of net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year, except that dividends may not be paid out of net profits if the net assets of the corporation are less than the amount of capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets.	Under Washington law, a board of directors may approve, and a corporation may make, a distribution to shareholders only to the extent that: such distribution does not leave the corporation unable to pay its debts as they become due in the usual course of business, and after the distribution, the corporation s total assets would not be less than the sum of its total liabilities plus, unless the articles of incorporation provide otherwise, the amount that would be needed, if the corporation were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of shareholders whose preferential rights are superior to those

receiving the distribution.

	ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
Limitation of Personal Liability of Directors	In accordance with Delaware law, ALLTEL s certificate of incorporation provides that a director of ALLTEL will not be personally liable to ALLTEL or ALLTEL s shareholders for monetary damages for breach of fiduciary duties, except for liability for: any breach of the director s duty of loyalty to ALLTEL or ALLTEL s shareholders; acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; payment of a dividend or the repurchase or redemption of stock in violation of Delaware law; or any transaction from which the director derived an improper personal benefit.	Western Wireless articles of incorporation provide that a director will not be personally liable to the corporation or its shareholders for monetary damages for conduct as a director, except for: Acts or omissions involving intentional misconduct or a knowing violation of law; Conduct violating Section 23B.08.310 of the WBCA (which involves liability for unlawful distributions by the corporation); Any transaction from which the director will personally receive a benefit in money, property, or services to which the director is not legally entitled. Western Wireless articles of incorporation further provide that if the WBCA is amended to authorize corporate action further eliminating or limiting the personal liability of directors or officers, then the liability of a director or officer of Western Wireless will be eliminated or limited to the fullest extent permitted by the WBCA, as so amended.
Indemnification of Directors and Officers	ALLTEL s certificate of incorporation requires ALLTEL to indemnify any party to the fullest extent permitted by the DGCL who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding because he is or was a director, officer, employee or agent of ALLTEL, or is or was serving at the request of ALLTEL as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. In addition ALLTEL to the fullest extent authorized under Delaware law shall pay in advance of the final disposition of any such proceeding all expenses incurred by any director or officer in	Under Washington law, the standards for allowing indemnification of officers and directors are substantially the same as those under Delaware law. The Western Wireless articles of incorporation require Western Wireless to indemnify its directors and officers to the fullest extent permitted by Washington law. The Western Wireless by-laws provide that the corporation must indemnify its directors and officers and may indemnify its employees and agents to the full extent permitted by the WBCA against liability arising out of a proceeding to which each such individual was made a party because

ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
connection with such proceeding. The right to indemnification is not exclusive of any other right which that individual may have or hereafter acquire under any statute, provision of ALLTEL s certificate of incorporation or by-laws, agreement, vote of shareholders or disinterested directors or otherwise. ALLTEL is authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, and purchase insurance on behalf of any person required or permitted to be indemnified.	he/she is or was a director, officer, employee or agent of Western Wireless. The by-laws also state that Western Wireless will advance expenses incurred by each such individual who is a party to a proceeding in advance of final disposition of the proceeding, as provided by applicable law, the articles of incorporation, or by written agreement. Notwithstanding the foregoing, Western Wireless is not obligated to indemnify its directors, officers, employees and agents for any amounts paid in settlement of any proceeding without Western Wireless prior written consent to such settlement and payment. Further, Western Wireless is not obligated to indemnify or advance expenses to any such individual with respect to any proceeding: brought voluntarily by the party seeking indemnification and not by way of defense (except with respect to proceedings brought to establish or enforce a right to indemnification); instituted in bad faith or frivolously by such individual seeking to enforce or interpret the provisions of Western Wireless articles of incorporation or by-laws; to the extent such individual has otherwise actually received payment (under any insurance policy or otherwise) of the amounts otherwise indemnifiable; or if Western Wireless is prohibited by its articles of incorporation, the WBCA or other applicable law from paying such indemnification and/or advancement of expenses.

	ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
		Washington law provides that a corporation may not indemnify a director or officer in connection with: a proceeding by or in the right of the corporation in which the director or officer did not meet the standards of conduct described in the WBCA; or any other proceeding charging improper personal benefit to the director or officer, whether or not involving action in such individual s official capacity, in which the director or officer is adjudged liable on the basis that personal benefit was improperly received. Western Wireless is authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, and purchase insurance on behalf of any person required or permitted to be indemnified.
Appraisal/ Dissenters Rights	Under the DGCL, ALLTEL shareholders may exercise a right to dissent from certain corporate actions and obtain payment of the fair value of their shares. The DGCL provides appraisal rights only in certain mergers or consolidations and not (unless the certificate of incorporation of a corporation so provides, which the ALLTEL Certificate does not) for a sale or transfer of all or substantially all of a corporation s assets or an amendment to its certificate of incorporation. Moreover, the DGCL does not provide appraisal rights in connection with a merger or consolidation (unless the certificate of incorporation so provides, which the ALLTEL Certificate does not): to the holders of shares of a constituent corporation listed on a	Under Washington law, a shareholder is entitled to dissent from, and obtain the fair value in cash of his or her shares in connection with, certain corporate actions, including certain mergers, share exchanges, and sales or exchanges of all or substantially all of the corporation s property other than in the usual and regular course of business, and any amendment of the articles of incorporation that materially reduces shares owned to a fraction of a share if the fractional share so created is to be acquired for cash. In order to exercise dissenters rights, a Western Wireless shareholder must comply with the procedures set forth in Chapter 23B.13 of the WBCA, a copy of which is attached to this proxy statement/prospectus as Annex D. A summary of Chapter 23B.13 is set forth in the section entitled Dissenters Rights.

national securities exchange (or
designated as a national market system
security by the National

	ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
	Association of Securities Dealers, Inc.) or held of record by more than 2,000 shareholders, unless the applicable agreement of merger requires the holders of such shares to receive any property other than shares of stock of the resulting or surviving corporation, shares of stock of any other corporation listed on a national securities exchange (or designated as described above) or held of record by more than 2,000 holders, cash in lieu of any fractional shares or any combination of the foregoing. In addition, the DGCL denies appraisal rights if the shareholders of the surviving corporation in a merger did not have to vote to approve the merger. Appraisal rights are not available to ALLTEL shareholders with respect to the merger.	
Certain Business Combination Restrictions	The DGCL contains a business combination statute that protects publicly-traded Delaware corporations, such as ALLTEL, from hostile takeovers, and from actions following the takeover, by prohibiting some transactions once an acquiror has gained a significant holding in the corporation. Section 203 of the DGCL prohibits business combinations, including mergers, sales and leases of assets, issuances of securities and similar transactions by a corporation or a subsidiary with an interested shareholder that beneficially owns 15% or more of a corporation s voting stock, within three years after the person becomes an interested shareholder, unless:	Under Washington law, public companies based in Washington (or that have significant business contacts with the state) are prohibited, with specified exceptions, from engaging in significant business transactions with any person or group of persons who beneficially own 10% or more of the voting shares of the target corporation for a period of five years after such share acquisition, unless the transaction or acquisition of shares is approved by a majority of the members of the board of directors of the target corporation prior to the time of the initial acquisition of shares by the acquiring person. These significant business transactions include: a merger, share exchange or

prior to the time the person becomes an interested shareholder, the board of directors of the target corporation approved either the business

consolidation with, a disposition of assets with an aggregate market value over 5% of the total market value of all of the target s assets or all of the

ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
combination or the transaction which will result in the person becoming an interested shareholder; after the completion of the transaction in which the person becomes an interested shareholder, the interested shareholder holds at least 85% of the voting stock of the corporation, excluding for purposes of determining the number of shares outstanding those shares owned by (i) persons who are both officers and directors, and (ii) specified employee stock plans; or after the person becomes an interested shareholder, the business combination is approved by the target corporation s board of directors and holders of at least 66^{2}/3% of the outstanding voting stock, excluding shares held by the interested shareholder. A corporation can elect not to be governed by Section 203, however, The ALLTEL has not made this election and is therefore governed by Section 203. The ALLTEL certificate of incorporation also contains a fair price provision that requires the approval by the holders of at least 85% of the voting power of the outstanding shares of any class of stock of ALLTEL entitled to vote generally in the election of directors as a condition for all Section 203 business combinations involving ALLTEL and a Section 203 interested shareholder, unless certain conditions are met.	target s outstanding shares to, or the issuance or redemption of shares to or from, the acquiring person or its affiliates or associates; termination of 5% or more of the Washington-based employees of the target corporation over the course of the five-year period following the acquiring person s acquisition of 10% or more of the shares of the target corporation, if such termination is the result of the acquiring person s acquisition; the liquidation or dissolution of the target corporation pursuant to an arrangement with an acquiring person; a reclassification of securities of the target corporation pursuant to an arrangement with the acquiring person that has the effect of increasing the proportionate share of voting securities owned by the acquiring person; or an issuance to the acquiring person, or a transfer or redemption in favor of the acquiring person, by the target corporation of shares, options, warrants or other rights to acquire shares of the target corporation if the issuance, transfer or redemption is not made to all shareholders of the target corporation on the same proportional basis. After the five-year period, certain significant business transactions still may not occur unless they comply with certain fair price provisions of the statute or are approved by the disinterested shareholders. The Western Wireless board of directors has expressly approved the merger agreement so that the restrictions set forth above with respect to business

combinations do not apply to the merger agreement or the

	ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
		transactions contemplated thereby.
Vote on Certain Fundamental Issues	Delaware law permits a corporation to include supermajority provisions in its certificate of incorporation and by-laws with respect to the approval of various issues. However, other than the effect of Section 203 of the DGCL and ALLTEL s fair price provisions, the certificate of incorporation and by-laws of ALLTEL do not contain any supermajority voting requirement provisions related to matters upon which the shareholders of ALLTEL may vote.	Under Washington law, the following must be approved by two-thirds of all votes entitled to be cast by each voting group entitled to vote as a separate group: a merger, a share exchange, a sale of all, or substantially all, of a corporation s assets, other than in the ordinary course of business; and a dissolution. A corporation may provide for lower voting requirements for these fundamental actions, provided that the minimum vote requirement may not be below a majority of all votes entitled to be cast. The articles of incorporation of Western Wireless do not contain such a provision.
Transactions With Officers or Directors	Under the DGCL, certain contracts or transactions in which one or more of a corporation s directors or officers has an interest are not void or voidable solely because of such interest if either: - the stockholders or a majority of the disinterested members of the board of directors approve in good faith any such contract or transaction after full disclosure of the material facts; or - the contract or transaction is fair as to the corporation at the time it was approved.	The WBCA sets forth a safe harbor for transactions between a corporation and one or more of its directors. A conflicting interest transaction may not be enjoined, set aside or give rise to damages if: - it is approved by a majority of qualified directors, but no fewer than two; - it is approved by the affirmative vote of the majority of all qualified shares after notice and disclosure to the stockholders; or - at the time of commitment, the transaction is established to have been fair to the corporation. For purposes of this provision, a qualified director is one who does not have either: (1) a conflicting interest respecting the transaction; or (2) a

ALLTEL Shareholder Rights	Western Wireless Shareholder Rights
	familial, financial, professional, or employment relationship with a second director who does have a conflicting interest respecting the transaction, which relationship would, in the circumstances, reasonably be expected to exert an influence on the first director s judgment when voting on the transaction. Qualified shares are defined generally as shares other than those beneficially owned, or the voting of which is controlled, by a director, or an affiliate of the director, who has a conflicting interest respecting the transaction.

UNAUDITED PRO FORMA COMBINED CONDENSED FINANCIAL INFORMATION

The following unaudited pro forma combined condensed balance sheet as of December 31, 2004 and the unaudited pro forma combined condensed statement of income for the year ended December 31, 2004 are based on the historical financial statements of ALLTEL and Western Wireless after giving effect to the merger as a purchase of Western Wireless by ALLTEL based on the assumptions and adjustments described in the accompanying notes to the unaudited pro forma combined condensed financial statements.

The unaudited pro forma combined condensed financial statements have been prepared using the purchase method of accounting as if the transaction had been completed as of January 1, 2004 for purposes of the combined statement of income and on December 31, 2004 for purposes of the combined balance sheet.

The unaudited pro forma combined condensed financial statements presents the combination of historical financial statements of ALLTEL and Western Wireless adjusted to (1) give effect to the May 17, 2005 issuance of approximately 25.0 million shares of ALLTEL common stock to settle the purchase contract obligation related to ALLTEL s outstanding equity units, as further discussed in Note (a) below, (2) issuance by ALLTEL of $100.0 million in commercial paper to fund, in part, the termination of outstanding term loans under the Western Wireless credit facility that, as a result of a change in control, will become due immediately upon the closing of the merger and (3) give effect to the merger. (See Note (f) below.)

The unaudited pro forma combined condensed financial statements were prepared using (1) the audited consolidated financial statements of ALLTEL included in ALLTEL s annual report on Form 10-K for the year ended December 31, 2004 as filed on February 10, 2005, which are incorporated herein by reference and (2) the audited consolidated financial statements of Western Wireless included in Western Wireless annual report on Form 10-K for the year ended December 31, 2004 as filed on March 16, 2005, which are incorporated herein by reference.

Under the purchase method of accounting, the purchase price will be allocated to the underlying tangible and intangible assets and liabilities acquired based on their respective fair market values, with any excess purchase price allocated to goodwill. The pro forma purchase price allocation was based on an estimate of the fair market value of the tangible and intangible assets and liabilities of Western Wireless. Certain assumptions have been made with respect to the fair market value of identifiable intangible assets as more fully described in the accompanying notes to the unaudited pro forma combined condensed financial statements. As of the date of this filing, ALLTEL has not commenced the appraisals necessary to arrive at the fair market value of the assets and liabilities to be acquired and the related allocations of purchase price. Once ALLTEL has completed the appraisals necessary to finalize the required purchase price allocation after the consummation of the merger, the final allocation of purchase price will be determined. The final purchase price allocation based on third party appraisals may be different than that reflected in the pro forma purchase price allocation and this difference may be material.

ALLTEL is developing a plan to integrate the operations of Western Wireless after the merger. In connection with that plan, ALLTEL anticipates that certain non-recurring charges, such as relocation expenses, branding and signage costs and billing system conversion expenses, will be incurred in connection with this integration. ALLTEL cannot identify the timing, nature and amount of such charges as of the date of this proxy statement/ prospectus. However, any such charge could affect ALLTEL s results of operations in the period in which such charges are recorded. The unaudited pro forma combined condensed financial statements do not include the effects of the costs associated with any restructuring or integration activities resulting from the transaction.

The unaudited pro forma combined condensed financial statements are not intended to represent or be indicative of the consolidated results of operations or financial condition of ALLTEL that would have been reported had the merger been completed as of the dates presented, and should not be taken as representative of the future consolidated results of operations or financial condition of ALLTEL.

The unaudited pro forma combined condensed financial statements do not include the realization of any cost savings from operating efficiencies, synergies or other restructurings resulting from the transaction. In addition, the unaudited pro forma combined condensed financial statements do not include the effects of dispositions, if any, that may be required in order to obtain regulatory approval of the merger transaction. The unaudited pro forma combined condensed financial statements should be read in conjunction with the separate historical consolidated financial statements and accompanying notes of ALLTEL and Western Wireless that are incorporated by reference in this proxy statement/ prospectus.

ALLTEL CORPORATION AND SUBSIDIARY COMPANIES
UNAUDITED PRO FORMA COMBINED CONDENSED BALANCE SHEET
AS OF DECEMBER 31, 2004

(Dollars in millions)	ALLTEL, as Reported	Settle Purchase Obligation Related to Equity Units	ALLTEL, as Adjusted	Western Wireless, as Reported	Pro Forma Add (Deduct) Adjustments	Combined
Assets						
Cash and short-term investments	$ 484.9	$ 1,385.0(a)	$ 1,869.9	$ 278.6	$ (2,070.5)(f)	$ 78.0
Other current assets	1,131.9		1,131.9	493.0	(148.4)(b)(d)(g)	1,476.5
Total current assets	1,616.8	1,385.0	3,001.8	771.6	(2,218.9)	1,554.5
Investments	804.9		804.9	11.0	107.2 (b)	923.1