Cash Deployment Strategy Conference Call

December 17, 2009

Safe harbour notice

This presentation contains forward-looking statements with respect to items such as revenue, EBITDA, capital intensity, Adjusted earnings per share, free cash flow, dividends, share buybacks and other statements that are not historical facts. Several assumptions were made by BCE in preparing these forward-looking statements and there are risks that actual results will differ materially from those contemplated by the forward-looking statements. As a result, we cannot guarantee that any forward-looking statement will materialize and you are cautioned not to place undue reliance on these forward-looking statements. For additional information on such assumptions and risks, please consult BCE's 2008 Annual MD&A dated March 11, 2009, included in the BCE 2008 Annual Report, and BCE's 2009 First Quarter MD&A, Second Quarter MD&A and Third Quarter MD&A dated May 6, 2009, August 5, 2009, and November 11, 2009, respectively, all filed with the Canadian securities commissions and with the SEC and which are also available on BCE's website.

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Use of cash aligned with capital markets strategy

1 Maintain strong credit profile

- Solid and stable investment grade metrics ✓
- Repaid $1.5B 2009 debt maturities ✓
- Refinanced ~$1B 2010 debt maturities: $600M repaid in ’09 ✓
- **$500M special pension contribution: before YE’09** ✓

2 Ensure ample liquidity

- $1.4B three-year committed credit facility renewed: May 7, 2009 ✓
- Minimal debt maturities before 2014 ✓

3 Grow sustainable free cash flow

- Substantial free cash flow generation in line with plan ✓
- Over $1B of cash on hand at YE’09 (before special pension funding) ✓

4 Increase total shareholder returns

- Dividend payout ratio of 65%-75% of Adjusted EPS* ✓
- 5% dividend increase: February 11, 2009 ✓
- 5% dividend increase: August 6, 2009 ✓
- **7% dividend increase for 2010: December 17, 2009** ✓
- $1B share buyback completed: May 5, 2009 ✓
- **New $500M share buyback for 2010: December 17, 2009** ✓

(1) Adjusted EPS is EPS before restructuring and other and net gains (losses) on investments

Business performance and cash position provide flexibility to reward shareholders, while maintaining the appropriate level of capital investment

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Increased total shareholder returns

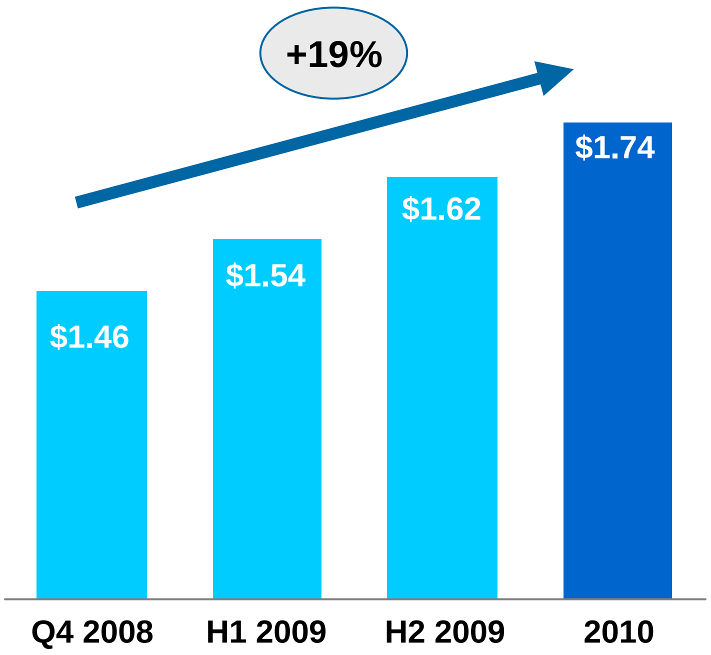
7% dividend increase to $1.74 per share

- Effective for 2010 commencing with Q1'10 dividend payment on April 15
- Follows two dividend increases in 2009
- Dividend increase maintains Adjusted EPS[1] payout ratio towards lower end of our target policy range of 65%-75%
- Supported by dividend savings from 2010 NCIB program and substantial ongoing free cash flow generation

$500M NCIB

- Share buyback for up to $500M to be executed over course of 2010
- Follows $1B share buyback in 2009
- Accretive to EPS and surplus cash

Delivering on dividend growth model
(Annualized common dividend per share)



(1) Adjusted EPS is EPS before restructuring and other and net gains (losses) on investments

Establishing strong track record of consistent and sustainable dividend increases

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$500M special pension contribution

Rationale

- Addresses pension issue in a prudent manner
- De-risks pension plan
  - Estimated solvency deficit of ~$2B at YE’09 reduced to ~$1.5B
- Positively impacts future financial performance
  - Reduces 2010 pension funding requirements by up to $75M
  - Reduces 2010 pension expense by up to $45M
  - Accretive to EBITDA, EPS and free cash flow in 2010 and beyond
- Special contribution is fully tax deductible
  - Cash tax savings of ~$130M in 2010

Financial impacts

- Funded with surplus cash on hand prior to YE’09
  - Will be reflected in free cash flow in Q4’09
- Strengthens balance sheet, credit profile and financial flexibility
  - Reduces obligations by reducing size of pension liability
  - Supports maintenance of strong credit metrics as pension liabilities are considered as debt by rating agencies

Consistent with capital markets strategy to maintain strong credit ratings and liquidity position

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Maintaining strong liquidity and credit profile

Bell liquidity position ($M)

Cash balance (Sept. 30, 2009)	**1,159**
Free cash flow (1)	~300-450
Debt repayments	(150)
Capital lease repayments	~(50)
Acquisition of Canadiens	(50)
Sale of non-core assets	~70
Dividends (common shares)	(310)
Surplus cash available	**~1,000-1,100**
Special pension contribution	(500)
Cash balance (Dec. 31, 2009)	**~500-600**
Credit facilities	**1,400**

(1) Before special pension contribution of $500M

Bell credit ratios*

	Policy	2009E	2010E
Net debt/Adjusted EBITDA	1.5x-2.0x	~1.9x	↓
Adjusted EBITDA/Net interest	>7.5x	~9.0x	↑

* Net debt includes capital leases, preferred shares and A/R securitization
* Adjusted EBITDA includes Bell Aliant's cash distributions
* Net interest includes preferred share dividends and A/R securitization costs

- **Significant flexibility maintained post $500M special pension contribution**
  - Expected remaining cash balance at YE'09 of ~$500M to $600M
  - $400M earmarked to meet remaining 2010 debt maturities
  - Access to $1.4B of credit facilities
- **NCIB funded through combination of 2009 surplus cash and 2010 free cash flow**
- **Key credit ratios positively impacted in 2010 by special pension funding**

Cash position and substantial FCF generation provide significant financial flexibility to deliver on capital markets strategy

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2009 financial guidance update

- On track to meet guidance for revenues, EBITDA, capital intensity and Adjusted EPS
- Free cash flow expected for 2009 now reflects special $500M voluntary pension contribution to be made at end of December
- No change in outlook for cash from operations or other components of free cash flow

	February 11 Original Guidance	August 6 Increased Guidance	November 12 FY'09 Expectation	December 17 FY'09 Expectation
Revenues	Stable	1% to 2%	Low end of range	**Low end of range**
EBITDA	Stable	1% to 2%	On track	**On track**
Capital intensity	15% to 16%	No change	On track	**On track**
Adjusted EPS (1)	>5%	$2.40 to $2.50 7% to 11%	High end of range	**High end of range**
Free cash flow (2)	$1,750M to $1,900M	No change	On track	**$1,250M to $1,400M (3)**

Revenue, EBITDA & capital intensity guidance for Bell excluding Bell Aliant

(1) EPS before restructuring and other and net gains (losses) on investments

(2) Free cash flow before common share dividends and including Bell Aliant's cash distributions

(3) Reflects $500M special pension contribution before YE'09

2010 financial guidance to be provided on February 4th