Q4 2015 Results and 2016 Financial Guidance Call

February 4, 2016

Safe harbour notice

Certain statements made in this presentation are forward-looking statements. These statements include, without limitation, statements relating to BCE's financial guidance (including revenues, adjusted EBITDA, capital intensity, adjusted EPS and free cash flow), our expected 2016 pension cash funding, BCE's 2016 annualized common share dividend, common share dividend policy and financial policy targets, BCE's 2016 capital markets objectives, our targeted capital expenditures, our network deployment plans, BCE's business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. All such forward-looking statements are made pursuant to the safe harbour provisions of applicable Canadian securities laws and of the United States *Private Securities Litigation Reform Act of 1995.*

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements. As a result, we cannot guarantee that any forward-looking statement will materialize and we caution you against relying on any of these forward-looking statements. For a description of such assumptions and risks, please consult BCE's Safe Harbour Notice Concerning Forward-Looking Statements dated February 4, 2016, filed with the Canadian provincial securities regulatory authorities (available at sedar.com) and with the U.S. Securities and Exchange Commission (available at sec.gov), and which is also available on BCE's website at BCE.ca. For additional information, please refer to BCE's news release dated February 4, 2016 available on BCE's website.

The forward-looking statements contained in this presentation describe our expectations at February 4, 2016 and, accordingly, are subject to change after such date. Except as may be required by Canadian securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this presentation, whether as a result of new information, future events or otherwise.

The terms "adjusted EBITDA", "adjusted EBITDA margin", "free cash flow", "free cash flow per share", "adjusted EPS", "net debt", "net debt leverage ratio" and "adjusted EBITDA/net interest expense" are non-GAAP financial measures and do not have any standardized meaning under IFRS. Therefore, they are unlikely to be comparable to similar measures presented by other issuers. For more details, refer to subsection 3 entitled "Non-GAAP Financial Measures" of the section "Accompanying Notes" in BCE's Supplementary Financial Information – Fourth Quarter 2015 available on BCE's website.

Bell

George Cope

President & Chief Executive Officer

Q4 overview

- ✓ 204k total wireless and wireline broadband net customer additions — 91k wireless postpaid, 74k IPTV and 39k Internet — drove consolidated adjusted EBITDA growth of 2.5%
- ✓ Delivered 41st consecutive quarter of y/y adjusted EBITDA growth
- ✓ Positive and growing cash contributions from all Bell segments drove 10% increase in FCF
- ✓ Continued wireless leadership with service revenue up 6.3% and EBITDA up 6.8% y/y
- ✓ Wireline EBITDA up 1.5% on 3.4% lower costs, yielding 1.2-point increase in margin to 39.5%
- ✓ Positive media revenue growth of 3.4% and simple free cash flow growth of 15.9%
- ✓ Secured sole rights to distribute HBO content nationally in Canada

Met all financial guidance targets for 2015
Strong financial position with good operating momentum and competitive cost structure entering 2016

Bell

Wireless operating metrics

Metrics	Q4'15	Y/Y	2015	Y/Y
Postpaid gross additions	388k	1.4%	1,338k	3.6%
Postpaid net additions	91k	(22.7%)	265k	(14.9%)
Postpaid churn rate	1.38%	(0.09 pts)	1.28%	(0.06pts)
Blended ARPU	$63.67	4.4%	$63.09	5.3%
COA (per gross addition)	$525	(6.1%)	$467	(5.9%)
Retention (% of service revenue)	14.3%	(0.8 pts)	12.6%	(1.6 pts)
Smartphones (% of postpaid base)	78%	2 pts	78%	2 pts
Postpaid subscribers on LTE	68%	21 pts	68%	21 pts
4G LTE coverage (% of population)	96%	10 pts	96%	10 pts
LTE-A coverage (% of population)	48%	n.a.	48%	n.a.

- **Postpaid gross additions up 1.4% y/y**
  - Higher volume driven by seasonally high level of promotional activity and double cohort
- **91k postpaid net additions**
  - Postpaid churn up y/y as expected due to increased off-contract subscriber base
- **ARPU up 4.4% on higher mix of 2-year contract customers and growth in LTE subscribers using more data**
  - 68% of postpaid subscribers now on LTE
- **Higher COA reflects increased postpaid mix and richer hardware offers**
- **Increased retention spending of 14.3% driven by double cohort**

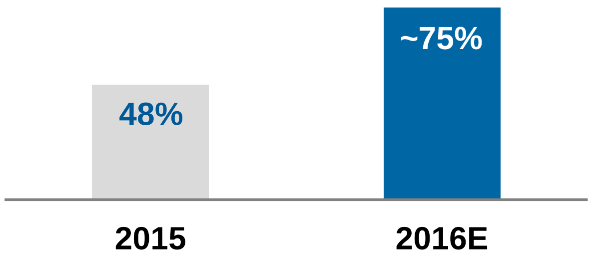
Solid set of Q4 operating metrics with healthy postpaid net adds and strong ARPU growth in a quarter of intense competitive market activity

Bell

Continuing to raise the wireless network leadership bar

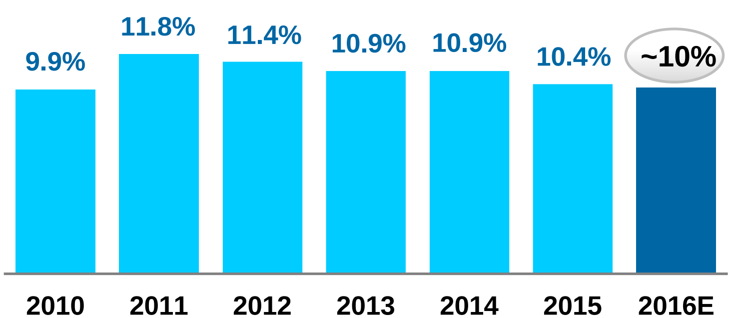
LTE Advanced (LTE-A) coverage

% of Canadian population



Wireless capital intensity

% of wireless revenues

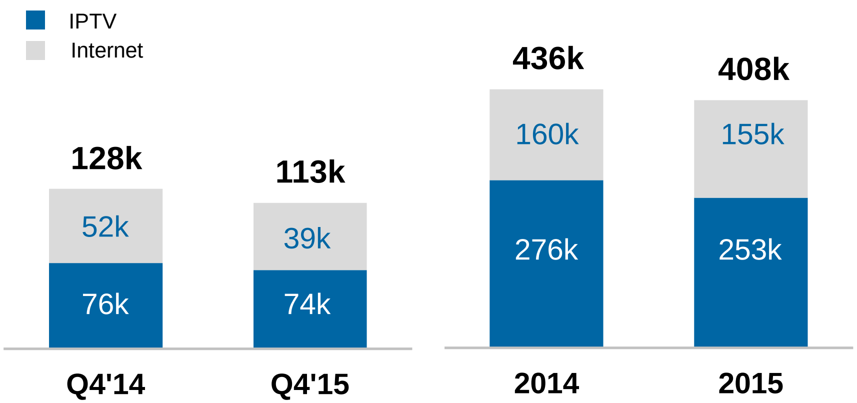


- **4G LTE national network coverage to 98% of Canadians to be completed in 2016**
  - Deployment of 700MHz spectrum in rural markets will match LTE coverage to current HSPA+ footprint
- **LTE-A coverage will deliver speeds of up to 335 Mbps to ~75% of Canadians by YE2016**
  - Enabled by aggregating PCS, AWS-1 and 700MHz spectrum
  - Availability of CAT-9 devices allows Bell Mobility customers to enjoy fastest speeds in industry today
  - Average download speeds of 25 to 100 Mbps
- **Average usage ~50% higher for LTE vs. HSPA**
  - In Q4’15, average LTE user consumed 1.5 GB of data per month compared to 1 GB for HSPA
- **Investment in small cells and in-building in 2016 to optimize service and data capacity**
- **Bell consistently ranked as Canada’s fastest mobile network among top 3 providers**
  - OpenSignal: Jan. 2016
  - Rootmetrics: Dec. 2015
  - PC Mag: Sept. 2015

Executing our wireless network and technology strategy, while maintaining an industry-low capital intensity ratio of ~10% in 2016

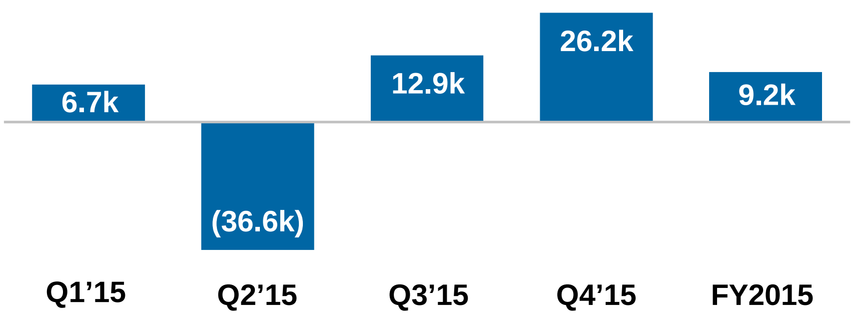
Wireline subscriber metrics

IPTV and Internet net additions



Residential RGU net additions(1)

(1) In BCE's wireline ILEC footprint

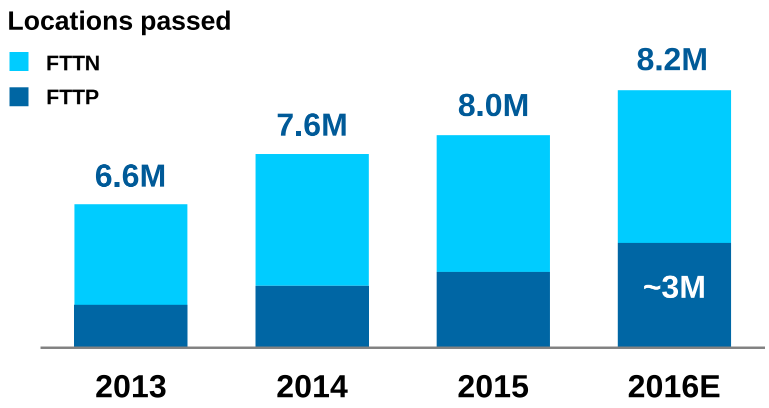


- **74k total IPTV net adds**
  - Product leadership continues to drive growth
- **39k total Internet net adds**
  - Retail residential net adds up 12% y/y on stronger growth in Québec and Ontario
  - Residential ARPU up ~8%
  - Wholesale net subscriber adds lower y/y
- **Satellite TV net loss up 2k y/y to 36k**
  - Fewer net subscriber losses in wireline footprint reflected improved retail residential customer churn
  - Wholesale subscriber deactivations up y/y
- **Residential NAS net loss stable y/y**
  - Business net loss up 13k due to enterprise customer rationalization to drive cost savings and disconnections following federal election
- **Total residential RGU net adds positive in Q4**
  - 3 of 4 quarters positive in 2015
  - 64% of new residential IPTV net customer adds in Q4 subscribed to a triple, driving 11% increase in three-product households

Largest share of new broadband growth in Q4 with 113k IPTV and Internet net additions

Broadband Internet and IPTV leadership

High-speed fibre footprint



- **8.2M total fibre locations passed by YE2016**
- **FTTP overlay underway in Toronto**
  - Upgrading current FTTN network to FTTP
  - Majority of build-out to 1.1M homes and businesses completed by end of 2017, enabling 1 Gbps+ Internet service speed capability
- **Gigabit Internet service capability for ~3M residential and business locations by YE2016**
- **IPTV leadership and innovation**
  - Launch of 4K Whole Home PVR
  - Trending Now and Restart Look Back features
  - Fibe TV app enhancements
    - Browse while you watch
    - Up next
    - Swipe to TV
  - Netflix available directly through STB
  - More to come throughout 2016
- **Most recommended TV service in Canada across all providers in last 12 months[1]**

[1] Nielsen Customer Interaction Metric study – October 2015

BCE entering 2nd year of $20B capital program to 2020 with planned expenditures of ~$3.7B for 2016, including ~$1B for fibre build

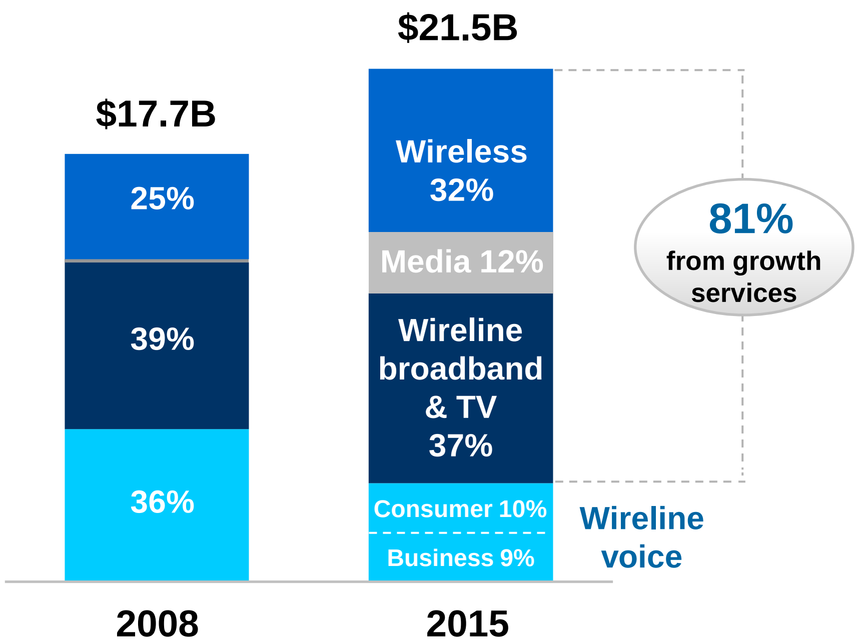
Bell Media

- **Positive revenue and cash flow growth in Q4**
- **Strong TV audience levels and ratings maintained**
  - 12 of top 20 TV programs nationally in Q4 Fall season for CTV, more than any other network
  - 4 of top 10 entertainment specialty TV services in primetime for viewers A25-54, including #1 ranked Discovery Channel
- **New long-term HBO agreement announced Nov. 19**
  - Bell Media to be sole operator of HBO Canada
  - Ability to deliver all current-season, past-season and library HBO programming exclusively on Bell Media's linear, on-demand and OTT platforms
- **TMN expanding to national pay TV service in Q1'16**
- **CraveTV launched direct-to-consumers on Jan. 14**
  - Available to over 11M residential Internet customers
  - $7.99 per month, includes HBO and SHOWTIME content
  - $6/month for Bell TV and Bell Aliant TV customers; also available to Telus, Shaw, Sasktel & Eastlink TV subscribers
- **Exclusive partnership to expand iHeartRadio live digital and streaming music service into Canada**
- **Significant cost restructuring completed in Q4, due to changing consumer behaviour and new TV pick-and-pay rules**

Positive adjusted EBITDA growth with higher cash flow contribution expected from Bell Media in 2016

Focus on 6 Strategic Imperatives paying off with consistent and steady growth over past 8 years

BCE revenue mix



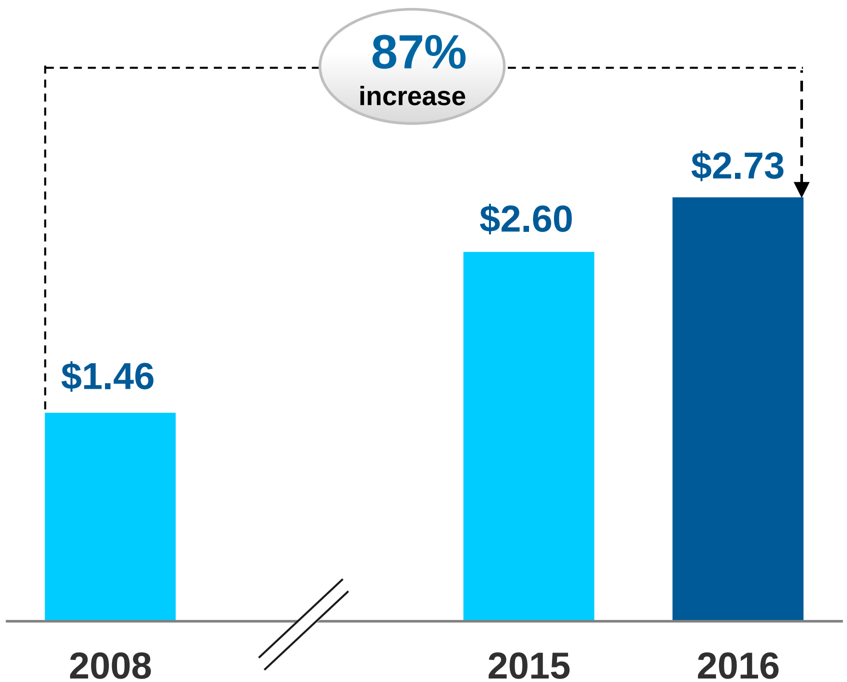
- **$8.6B of EBITDA generated in 2015, up $1.6B since 2008**
  - 41 consecutive quarters of uninterrupted y/y EBITDA growth
- **BCE growth services driving healthy organic growth in revenue and EBITDA**
  - Total revenue from growth services up $712M, or 4.3%, in 2015
- **81% of 2015 revenues from growth services, as EBITDA margin remains stable despite continued NAS decline**
- **Positive adjusted EBITDA-capex contribution from all Bell operating segments in 2015**

Execution of Strategic Imperatives positioning all 3 Bell segments to achieve positive EBITDA and simple free cash flow growth in 2016

Bell

Raising common dividend 5% to $2.73 per share

Annualized common dividend per share



- Supported by strong organic FCF growth in 2016
- FCF dividend payout ratio within 65% to 75% target range for 9th consecutive year, while maintaining steady capital intensity ratio
- 12 common share dividend increases over past 7 years totalling 87%
- Higher dividend rate effective with Q1 2016 payment on April 15, 2016

Consistent and steady dividend growth model has provided 208% total return to BCE shareholders over past 7 years

Glen LeBlanc

EVP & Chief Financial Officer

Q4 financial review

($M) except per share data	Q4'15	Y/Y	2015	Y/Y
Revenue	**5,603**	**1.4%**	**21,514**	**2.2%**
Service	5,053	1.6%	19,758	2.2%
Product	550	(1.0%)	1,756	2.9%
Adjusted EBITDA	**2,073**	**2.5%**	**8,551**	**3.0%**
Margin	37.0%	**0.4 pts**	39.7%	**0.2 pts**
Statutory EPS	**0.58**	**(9.4%)**	**2.98**	**0.0%**
Adjusted EPS[1]	**0.72**	**0.0%**	**3.36**	**5.7%**
Capex	**958**	**11.0%**	**3,626**	**2.4%**
Capital Intensity	17.1%	2.4 pts	16.9%	0.8 pts
FCF[2]	**916**	**10.0%**	**2,999**	**9.3%**
FCF per share	**1.07**	**5.9%**	**3.54**	**2.3%**

(1) Before severance, acquisition and other costs, net (gains) losses on investments and early debt redemption costs

(2) Before BCE common share dividends and voluntary pension contributions. As of November 1, 2014, BCE's FCF includes 100% of Bell Aliant FCF rather than cash dividends received from Bell Aliant.

- **Revenue growth of 1.4% driven by strong wireless and media performance**
- **Adjusted EBITDA growth of 2.5% with 0.4 point increase in margin to 37.0%**
- **Adjusted EPS stable y/y at $0.72**
  - Statutory EPS lower y/y, due to $152M of severance, acquisition and other costs related mainly to workforce restructuring initiatives
- **FCF of $916M in Q4 up 10.0%, reflecting strong y/y growth from all Bell segments**
  - Capex in line with plan with spending focused on broadband fibre deployment and wireless LTE buildout

Solid set of consolidated Q4 financial results in line with plan

Bell

Wireless financials

($M)	Q4'15	Y/Y	2015	Y/Y
Revenue	**1,770**	**5.9%**	**6,876**	**8.7%**
Service	1,588	6.3%	6,246	7.6%
Product	171	2.4%	590	22.2%
Operating costs	**1,129**	**(5.4%)**	**4,048**	**(9.3%)**
Adjusted EBITDA	**641**	**6.8%**	**2,828**	**7.8%**
Margin (service revenue)	40.4%	0.2 pts	45.3%	0.1 pts
Capex	**193**	**11.5%**	**716**	**(4.2%)**
Capital intensity	10.9%	2.1 pts	10.4%	0.5 pts
Adjusted EBITDA-capex	**448**	**17.3%**	**2,112**	**9.0%**

- **6.3% y/y increase in service revenue driven by higher postpaid mix and strong ARPU growth**
- **Strong adjusted EBITDA growth of 6.8% in Q4 with higher y/y service revenue margin of 40.4%, while absorbing ~$48M in higher retention and subscriber acquisition spending**
- **Strong contribution to Q4 consolidated FCF with adjusted EBITDA-capex growth of 17.3%**
  - FY2015 wireless cash flow up 9.0% as capital intensity ratio maintained at industry-low rate of ~10%

Industry-leading share of incremental service revenue and EBITDA growth for three consecutive years

Bell

Wireline financials

($M)	Q4'15	Y/Y	2015	Y/Y
Revenue	**3,161**	**(1.5%)**	**12,258**	**(0.5%)**
Service	2,778	(1.5%)	11,080	(0.1%)
Product	383	(1.8%)	1,178	(4.5%)
Operating costs	**1,913**	**3.4%**	**7,258**	**1.6%**
Adjusted EBITDA	**1,248**	**1.5%**	**5,000**	**1.1%**
Margin	39.5%	1.2 pts	40.8%	0.7 pts
Capex	**741**	**7.8%**	**2,809**	**2.9%**
Capital intensity	23.4%	1.6 pts	22.9%	0.6 pts
Adjusted EBITDA-capex	**507**	**19.0%**	**2,191**	**6.8%**

- **Revenue impacted by lapping of Sept'14 price increases, higher international LD minute sales in Q4'14 and lower product sales to business customers**
- **Residential Services revenue growth positive for 9th consecutive quarter, driven by 5.3% higher combined Internet and TV revenues**
  - FY2015 Residential Services revenue up 2.0%
- **Adjusted EBITDA up 1.5% on 3.4% decline in costs — 6th consecutive quarter of positive growth**
  - 1.2-point y/y margin increase to 39.5% reflects growing broadband scale and competitive cost structure
- **Strong and growing cash flow contribution with adjusted EBITDA-capex up 19.0% in Q4**

First full-year of positive adjusted EBITDA and cash flow growth since launch of cable telephony in 2005

Bell

Media financials

($M)	Q4'15	Y/Y	2015	Y/Y
Revenue	**816**	**3.4%**	**2,974**	**1.3%**
Operating costs	**632**	**(5.9%)**	**2,251**	**(2.2%)**
Adjusted EBITDA	**184**	**(4.2%)**	**723**	**(1.5%)**
Margin	22.5%	(1.8 pts)	24.3%	(0.7 pts)
Capex	**24**	**55.6%**	**101**	**26.3%**
Capital intensity	2.9%	3.9 pts	3.4%	1.3 pts
Adjusted EBITDA-capex	**160**	**15.9%**	**622**	**4.2%**

- **Total revenue 3.4% higher in Q4**
- **Advertising revenues up 0.9% y/y**
  - Conventional TV benefitted from Federal election and new Fall programming
  - Out of Home growth driven by new contract wins
  - Sports Specialty down y/y given strong Q4'14 with World Junior Hockey hosted in Canada
- **Subscriber revenues up 8.2% y/y**
  - Steady CraveTV and TV Everywhere growth
  - Favourable rate adjustments with certain BDUs
- **Adjusted EBITDA down 4.2% on 5.9% y/y increase in operating costs**
  - Higher y/y sports rights and CraveTV content costs
  - Return to normalized spending for Canadian Programming Expenditures (CPE) in Q4'15 following one-time benefit in Q4'14
  - Excluding one-time CPE benefit in Q4'14, adjusted EBITDA flat y/y
- **Healthy contribution to overall FCF in Q4 with adjusted EBITDA-capex of $160M, up 15.9% y/y**

Positive revenue and cash flow growth generated by Bell Media in 2015

Bell

2015 financial wrap-up

($M) except per share data	2015	Target	Met
Revenue	**21,514**		✓
Growth y/y	2.2%	**1%-3%**	
Adjusted EBITDA	**8,551**		✓
Growth y/y	3.0%	**2%-4%**	
Capital Intensity	**16.9%**	**~17%**	✓
Adjusted EPS[(1)]	**3.36**	**3.28-3.38**	✓
Growth y/y	5.7%	~3%-6%	
Free cash flow[(2)]	**2,999**	**2,950-3,150**	✓
Growth y/y	9.3%	~8%-15%	

(1) Before severance, acquisition and other costs, net (gains) losses on investments and early debt redemption costs

(2) Before BCE common share dividends and voluntary pension contributions. As of November 1, 2014, BCE's FCF includes 100% of Bell Aliant FCF rather than cash dividends received from Bell Aliant.

- **Revenue and adjusted EBITDA performance in line with plan at mid-point of financial guidance targets**
- **Higher EBITDA margin of 39.7% reflects strong wireless profitability, positive wireline growth and cost control**
- **Adjusted EPS of $3.36 near high end of guidance range**
- **9.3% FCF growth supported 16.9% capital intensity ratio and 2015 dividend increase**

Comfortably achieved all 2015 financial guidance targets

Bell

Financial targets for 2016

BCE	
Revenue growth	**1% to 3%**
Adjusted EBITDA growth	**2% to 4%**
Capital intensity	**approx. 17%**
Adjusted EPS[(1)]	**$3.45 to $3.55**
Growth y/y	approx. 3% to 6%
Free cash flow[(2)]	**$3,125M to $3,350M**
Growth y/y	approx. 4% to 12%
Annualized common dividend per share[(3)]	**$2.73**
Dividend payout policy	**65% to 75% of free cash flow**

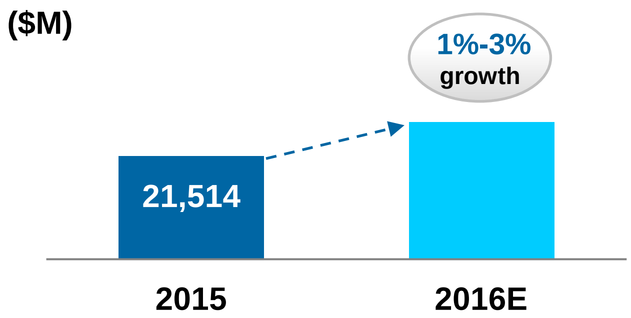
(1) Before severance, acquisition and other costs, net (gains) losses on investments and early debt redemption costs
(2) Before BCE common share dividends and voluntary pension contributions
(3) Increase to $2.73 per share from $2.60 per share effective with Q1 2016 dividend to shareholders of record on March 15, 2016 and paid on April 15, 2016

2016 guidance underpinned by a favourable financial profile across all Bell segments, supporting significant ongoing capital investment and 5% dividend increase for 2016

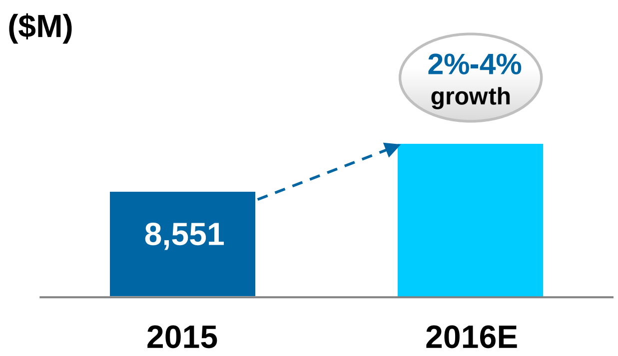
Bell

Revenue & adjusted EBITDA outlook

BCE revenue



BCE adjusted EBITDA

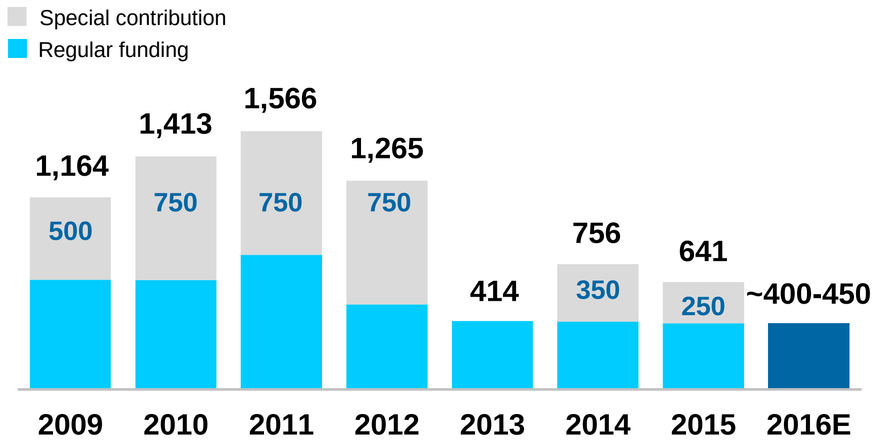


- **Continued strong wireless contribution to overall consolidated EBITDA growth**
  - Focus on profitable postpaid subscriber growth
  - Solid, but moderating blended ARPU growth
  - Double cohort expected to continue impacting retention spending and COA throughout 2016
- **Positive wireline EBITDA growth projected for 2016**
  - IPTV and Internet growth driving higher residential household revenue
  - Business Markets costs restructured to be in line with expected revenue results
  - Additional Bell Aliant integration synergies
  - Ongoing service improvement and FTTP-related savings
- **Positive media EBITDA growth projected for 2016**
  - CraveTV growth, national expansion of TMN and labour savings from workforce reductions, effectively offsetting higher content costs and impact of TV unbundling

Maintaining consolidated adjusted EBITDA margin steady in 2016

Pension funding and expense estimates

BCE cash pension funding ($M)



BCE pension expense ($M)	2015	2016E
Current service cost (above EBITDA)	281	~230-270
Net pension financing cost (below EBITDA)	110	~70-80
Total BCE pension expense	**391**	**~300-350**

Pension funding

- **$250M special contribution in Dec. 2015**
  - Improves solvency position to over 90%
  - Removes the use of letters of credit to fund Bell Canada deficit contribution
- **Regular pension funding for 2016 modestly higher y/y at ~$400M-$450M**

Pension expense

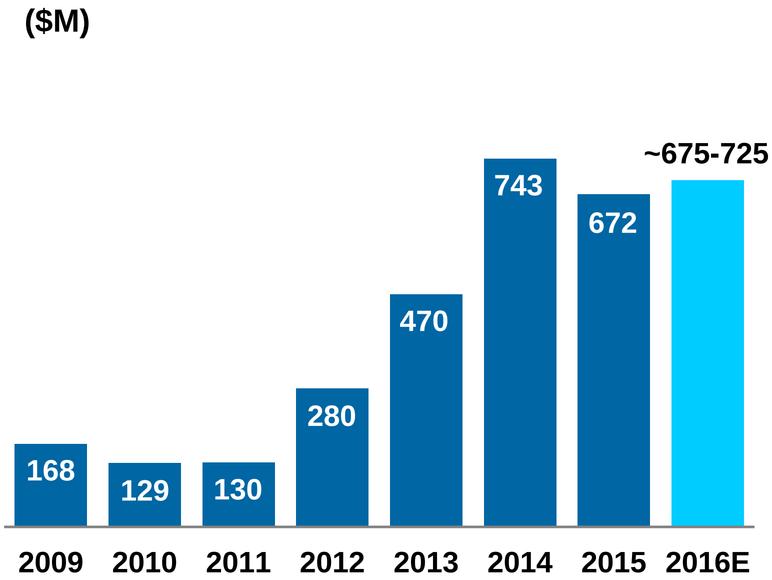
- **Total pension expense in 2016 lower y/y**
  - Higher discount rate at YE2015 contributing to lower net pension financing cost and lower current service cost
  - Special pension funding at end of 2015 reduces net pension financing cost by ~$10M

Maintaining strong solvency ratio of over 90%, well positioning BCE pension plans to benefit from any future increase in interest rates

Bell

Tax outlook

BCE cash income taxes paid



Income tax expense

- **Statutory rate of 27.0% for 2016, up slightly from 26.9% in 2015**
- **Effective tax rate of ~26% for 2016**
  - Expected tax adjustments similar to 2015

Cash income taxes

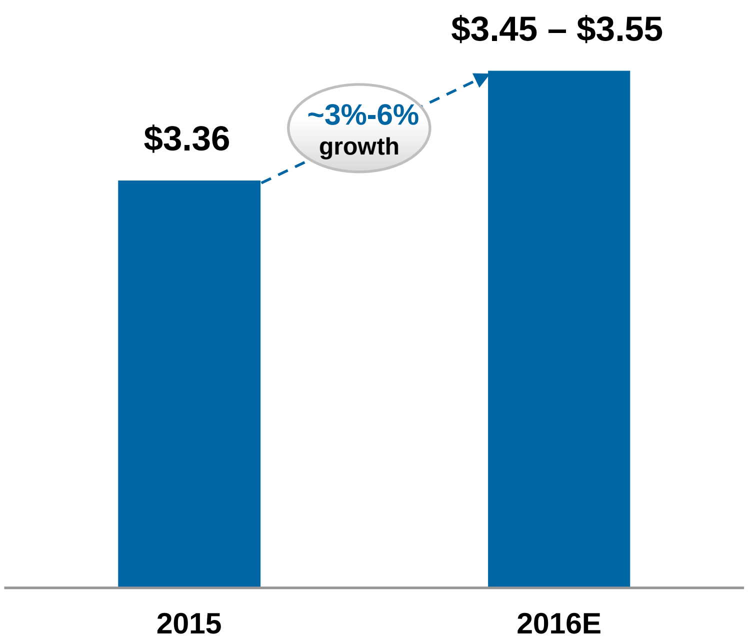
- **Slight increase in cash taxes for 2016**
  - Higher taxable income
  - Tax deductibility of settlement related to satellite TV signal piracy lawsuit moderating y/y increase
- **Higher cash taxes since 2014 reflects lower special pension funding as well as full utilization of ITC carry-forwards and Bell Media acquisition losses**

Manageable escalation in cash taxes

Bell

Adjusted EPS

Adjusted EPS[1]



(1) Before severance, acquisition and other costs, net (gains) losses on investments and early debt redemption costs

- **Higher adjusted EBITDA reflects positive contributions from all operating segments**
- **Pension expense lower y/y**
- **Depreciation & amortization higher y/y**
  - Reflects higher total capex spend with continued investment in FTTP and wireless LTE
- **Interest expense relatively stable vs. 2015**
- **Increased tax expense consistent with growth in taxable income**
- **Dilution of ~$0.04 per share due to issuance of 15.1M new BCE common shares from $863M equity offering in Nov’15**
- **2016 US$ spending economically hedged**

Higher adjusted EPS for 2016 driven by strong organic growth in consolidated EBITDA

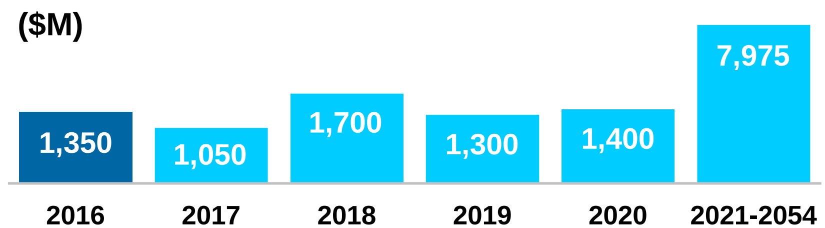
Bell

Strong capital structure foundation

Credit profile*	Target	12/31/2015
Net debt leverage ratio	1.75x-2.25x	2.53x
Adj. EBITDA/Net Interest	>7.5x	8.76x

* Net debt includes capital leases, 50% of preferred shares and A/R securitization
* Net interest includes 50% of preferred share dividends and A/R securitization costs

BCE debenture debt maturities



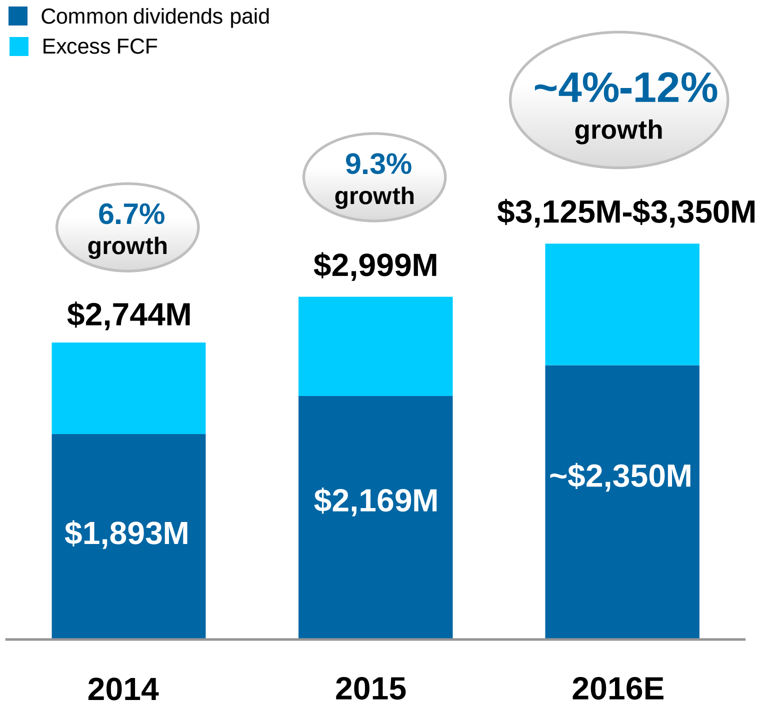
BCE liquidity position ($M)	
Cash balance (12/31/2015)	613
Committed credit facilities	3,000
Commercial paper utilization	(1,659)
A/R securitization available capacity	500
Available liquidity	2,454

- **Capital structure well-balanced between equity and debt**
- **Investment grade credit ratings with stable outlooks**
  - $863M equity offering lowered leverage by ~0.1x
  - Further deleveraging from EBITDA growth and applying excess FCF to net debt reduction
- **Manageable debt maturity schedule**
  - Weighted average debt term: 9.2 years
  - Average after-tax cost of debt: 3.38%
- **$1.35B of long-term debt maturities in 2016**
  - Early redemption of $700M of MTN debentures with Nov’15 equity offering proceeds
- **~$2.5B of available liquidity at YE2015**

Healthy balance sheet supports continued successful execution of BCE’s capital markets objectives in 2016

FCF growth comfortably supports 2016 dividend increase

FCF(1)



(1) Free cash flow is before BCE common share dividends and voluntary pension contributions. As of November 1, 2014, BCE's free cash flow includes 100% of Bell Aliant free cash flow rather than cash dividends received from Bell Aliant.

- **FCF growth of ~4% to 12% for 2016**
  - Driven mainly by organic growth in EBITDA
  - Steady y/y capital intensity ratio of ~17%
  - Cash pension funding, cash taxes and interest paid stable to modestly higher y/y
  - Higher severance paid from workforce restructurings undertaken in 2015
- **5% higher common share dividend for 2016 within FCF payout ratio of 65%-75%**
- **~$800M to $1B of FCF after payment of common share dividends in 2016**

9th consecutive year of maintaining FCF dividend payout ratio within 65% to 75% target range

Bell

Key economic, market & operational assumptions for 2016

Canadian economic and market assumptions

- Gradual strengthening of the economy: Bank of Canada estimates GDP growth to average 1.4% in 2016, compared to 1.2% in 2015
- Sustained weak employment growth, as the overall level of business investment is expected to remain soft
- Interest rates to remain relatively stable; Canadian dollar expected to remain at near current level
- Sustained level of wireline and wireless competition in both consumer and business markets
- Higher, but slowing, wireless industry penetration and smartphone adoption
- Industry pricing discipline maintained on a higher expected number of wireless subscribers with expired contracts, resulting from the expiry of 2- or 3-year service contracts due to the Wireless Code of Conduct implemented in 2013
- Relatively stable media advertising market and escalating costs to secure TV programming
- No material financial, operational or competitive consequences of changes in regulations affecting our wireless, wireline and media businesses

Wireless assumptions

- Higher adjusted EBITDA, reflecting an expanded postpaid subscriber base and higher blended ARPU driven by a higher smartphone mix, increased data consumption on 4G LTE and LTE Advanced networks, and higher access rates from price increases
- Higher subscriber acquisition and retention spending, driven by higher handset costs as well as more customer device upgrades, reflecting a higher number of off-contract subscribers due to earlier expiries under 2-year contracts
- Complete LTE network build to 98% of population; expand LTE Advanced network coverage to ~75% of population

Wireline assumptions

- Positive full-year adjusted EBITDA growth
- Positive full-year residential net additions within our wireline footprint, driven by IPTV growth and an expanded FTTP network that support the pull-through of fibre-based Internet service and residential NAS, resulting in higher penetration of three-product households
- Residential services household ARPU growth from increased penetration of 3-product homes, promotion expiries and price increases
- Continued large business customer migration to IP-based systems and competitive re-price pressures in business and wholesale markets
- Growing consumption of over-the-top (OTT) TV services and on-demand streaming video
- Limited downsizing of current TV packages by customers as a result of the implementation of TV unbundling

Media assumptions

- Positive full-year adjusted EBITDA growth and margin improvement, driven by CraveTV growth, national expansion of TMN, and labour savings, more than offsetting higher TV programming and sports rights costs, continued CraveTV investment and impact of TV unbundling
- Continued scaling of CraveTV, including a successful direct-to-consumer launch
- Ability to successfully acquire highly rated programming and differentiated content
- Building and maintaining strategic supply arrangements for content on all four screens
- TV unbundling and growth in OTT viewing expected to result in moderately lower subscriber levels for many Bell Media TV properties

Key financial assumptions for 2016

BCE	February 4
Employee benefit plans service cost (above adjusted EBITDA)	approx. $230M to $270M
Net employee benefit plans financing cost (below adjusted EBITDA)	approx. $70M to $80M
Depreciation & amortization	approx. $3,525M to $3,575M
Interest expense	approx. $875M to $925M
Tax adjustments (per share)	approx. $0.05
Effective tax rate	approx. 26%
Non-controlling interest (P&L)	approx. $40M to $60M
Cash pension funding	approx. $400M to $450M
Cash taxes	approx. $675M to $725M
Net interest payments	approx. $875M to $925M
Other FCF items [1]	approx. ($50M) to $25M
Average shares outstanding	approx. 870M
Annualized common dividend per share	$2.73

[1] Other FCF items include: working capital changes, severance and other costs paid, preferred share dividends and non-controlling interest (NCI) paid

Free cash flow walk-down

2016E	($M)
Adjusted EBITDA[(1)] less capex[(2)]	~5,200-5,350
Net cash interest	~(875)-(925)
Cash pension	~(400)-(450)
Cash taxes	~(675)-(725)
Other[(3)]	~(50)-25
Free cash flow	**3,125-3,350**

(1) Adjusted EBITDA before employee benefit plans service cost
(2) Calculated using mid-point of 2016 revenue guidance range
(3) Other includes working capital changes, severance and other costs paid, preferred share dividends and non-controlling interest (NCI) paid