Q1 2015 Results Conference Call

April 30, 2015

Safe harbour notice

Certain statements made in this presentation are forward-looking statements. These statements include, without limitation, statements relating to our 2015 financial guidance (including revenues, Adjusted EBITDA, capital intensity, Adjusted EPS and free cash flow), our business outlook, objectives, plans and strategic priorities, BCE's 2015 annualized common share dividend, our network deployment plans, 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 2014 Annual MD&A dated March 5, 2015, as updated in BCE's 2015 First Quarter MD&A dated April 29, 2015, and BCE's news release dated April 30, 2015 announcing its financial results for the first quarter of 2015, all 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 are also available on BCE's website at BCE.ca.

The forward-looking statements contained in this presentation describe our expectations at April 30, 2015 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" and "Adjusted EPS" 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. Refer to the section "Notes" in BCE's news release dated April 30, 2015 for more details.

George Cope

President & Chief Executive Officer

Q1 overview

- ✓ **Positive revenue growth across all segments delivering 2.8% y/y increase in total revenue**
- ✓ **Adjusted EBITDA growth of 3.6% drives margin increase to 40.0%**
- ✓ **Exceptional wireless performance**
  - 9.7% higher revenues with Adjusted EBITDA up 10.7%
  - Higher y/y postpaid net adds
- ✓ **3rd consecutive quarter of wireline Adjusted EBITDA growth**
- ✓ **101k combined Internet and IPTV net adds up 8.1%; NAS net losses improve 17.2% y/y**
- ✓ **Positive media revenue growth, but higher content costs impacting Adjusted EBITDA**
- ✓ **Higher y/y capex reflects FTTH footprint expansion and launch of new 4G LTE markets**
- ✓ **Acquired 13 AWS-3 wireless spectrum licences in our core markets for ~$500M**

Executing on strategy across all Bell segments to deliver strong financial and operating results in Q1

Wireless operating metrics

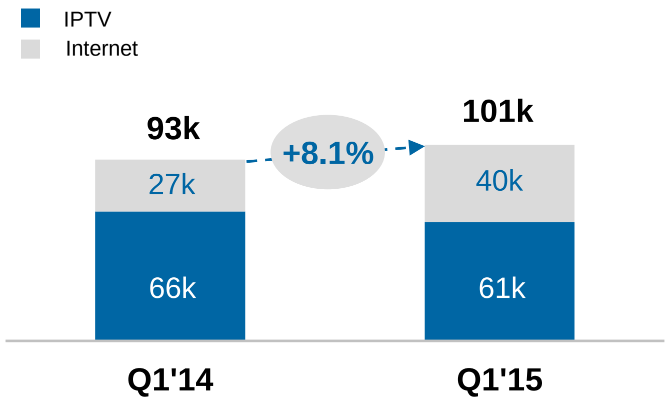
	Q1'15	Y/Y
Postpaid gross additions	**279k**	(0.2%)
Postpaid net additions	**35k**	**3.7%**
Postpaid churn rate	**1.18%**	0.06 pts
Blended ARPU	**$60.83**	**5.3%**
COA (per gross addition)	**$452**	(3.0%)
Retention (% of service revenue)	**11.5%**	(1.3 pts)
Smartphones (% of postpaid base)	**77%**	3 pts
Postpaid subscribers on LTE	**52%**	21 pts
LTE coverage (% of population)	**91%**	10 pts

- **35k postpaid net adds up 3.7% y/y**
  - Continued strong sales of newest devices from Q4
- **Postpaid churn improves to 1.18% reflecting benefit of investment in retention and service improvement**
- **5.3% ARPU growth driven by increased LTE data usage and pricing discipline**
  - 77% of postpaid base now on smartphones
  - 52% of postpaid subscribers now on LTE
- **COA up 3.0% due to handset and postpaid mix**
- **Retention spending increases to 11.5% on higher number of upgrades y/y**
- **LTE now covers 91% of Canadian population**
- **AWS-3 spectrum acquired in core markets**
  - To be used in providing additional capacity for mobile data services and for carrier aggregation
  - Device support expected in early 2017

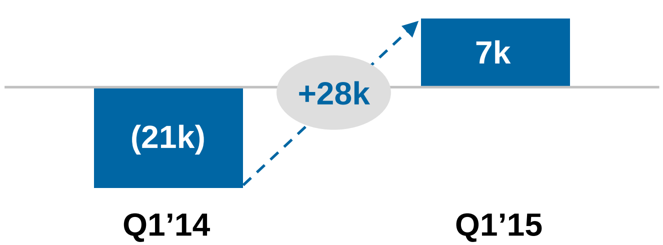
Strong set of Q1 wireless metrics with higher y/y postpaid net adds, lower churn and leading ARPU growth

Wireline subscriber metrics

IPTV and Internet net additions



Residential RGU net additions[1]



(1) In BCE’s wireline ILEC footprint

(2) Netflix Canada ISP Speed Index (March 2015)

- **40k total Internet net adds**
  - Higher Fibe speeds driving customer growth, lower residential churn and ~6% increase in residential ARPU
- **61k total IPTV net adds**
  - Less new footprint expansion compared to 2014
  - Surpassed 1M total IPTV subscribers in mid-April
- **Satellite TV net loss of 34k**
  - 25k net loss in wireline ILEC footprint; 9k net loss outside
  - Fewer new retail and wholesale net activations as IPTV rollouts continue nationwide
  - Relatively stable residential customer churn
- **17.2% improvement in NAS line losses y/y**
  - Residential NAS losses down 24k y/y on strong IPTV pull-through as wireless substitution continues to rise
  - Business NAS losses relatively stable y/y
- **Bell Fibe and Bell Aliant FibreOP consistently lead industry in connection speeds and reliability[2]**

Positive total residential RGU net adds within wireline ILEC footprint, up 28k y/y in Q1

Bell Media

- **Positive revenue growth in Q1**
- **Programming driving strong audience levels**
  - 14 of top 20 programs in winter season for CTV, including 8 of top 10
  - Primetime audiences up 19% y/y
  - Non-sports specialty growth led by Space and Discovery
- **TSN ratings strength in Q1 driven by multiple sports properties**
  - NHL, IIHF Hockey, NFL Football, NCAA Football, Australian Open Tennis, and curling
  - Revenues relatively stable y/y
- **Increased specialty TV market share in Québec across all key demographics**
  - 4 of top 5 specialty channels for Bell Media (RDS, Canal D, Canal Vie and Z)
- **Expanded reach and content for CraveTV**
  - New exclusive licensing and content agreements with SHOWTIME and Twentieth Century Fox
- **Recognition for excellence in programming**
  - Bell Media and its partners honoured with 53 awards at recent Canadian Screen Awards

Strong programming line-up drives TV ratings and accelerating adoption of CraveTV; TSN remains #1 specialty channel in Canada

Service performance improvements continued in Q1

Calls Handled
Down 1.7M

Bell Self-Serve
Up 29% (+1.2M)

On Time Tech Arrival
>98%

Fibe TV Churn
Down 12 bps

2-Hour Appointment Window Now Offered
(Fibe TV customers)

Wireless Postpaid Churn
Down 6 bps

Residential Assurance
Down 13%

Net Promoter Score
Wireless: up 19%
Fibe TV: up 16%

Service has improved y/y, driving higher customer satisfaction and reduced operating costs

Siim Vanaselja

EVP & Chief Financial Officer

Q1 financial review

BCE	Q1'15	Y/Y
Revenue	**$5,240M**	**2.8%**
Service	$4,846M	2.5%
Product	$394M	5.7%
Adjusted EBITDA	**$2,094M**	**3.6%**
Margin	40.0%	**0.3 pts**
Capex	**$827M**	**(13.4%)**
Capital Intensity	15.8%	(1.5 pts)
Statutory EPS	**$0.63**	**(20.3%)**
Adjusted EPS(1)	**$0.84**	**3.7%**
Free cash flow(2)	**$231M**	**(11.8%)**
Free cash flow per share	**$0.27**	**(20.6%)**

(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 free cash flow includes 100% of Bell Aliant free cash flow rather than cash dividends received from Bell Aliant.

- **Revenue up 2.8% y/y with positive growth across all operating segments**
  - 5.7% product revenue growth reflects higher y/y wireless customer upgrades
- **Adjusted EBITDA growth of 3.6% with 0.3-point increase in margin to 40.0%**
  - Double-digit wireless Adjusted EBITDA growth
  - 3rd consecutive quarter of positive wireline growth
  - Media incurring higher y/y content costs
- **Adjusted EPS up 3.7% on higher Adjusted EBITDA and lower income taxes**
  - Statutory EPS down y/y due to one-time charge for litigation on satellite TV signal piracy
- **Q1 free cash flow of $231M in line with plan**
  - Higher planned capex for broadband fibre and LTE expansion and capacity to support usage growth
  - On track to achieve full-year guidance target

Strong organic Adjusted EBITDA growth underpinning dividend growth structure going forward

Bell

Wireless financials

($M)	Q1'15	Y/Y
Revenue	**1,637**	**9.7%**
Service	1,500	8.1%
Product	127	35.1%
Operating costs	**925**	**(9.0%)**
Adjusted EBITDA	**712**	**10.7%**
Margin (service revenue)	47.5%	1.2 pts
Capex	**151**	**(26.9%)**
Capital intensity	9.2%	(1.2 pts)
Adjusted EBITDA-Capex	**561**	**7.1%**

- **Top-line strength driven by data revenue growth of 24.4% and higher postpaid mix**
- **Adjusted EBITDA up 10.7% yielding strong 62% service revenue flow-through**
- **Service margin up 1.2 points to 47.5%, while absorbing higher y/y investment in retention**
  - Retention costs up $31M in Q1'15
- **Strong cash flow contribution with Adjusted EBITDA-Capex growth of 7.1%**

Bell Wireless franchise value increasing on consistently superior financial performance and postpaid operating metrics

Wireline financials

($M)	Q1'15	Y/Y
Revenues	**3,027**	0.3%
Service	2,758	**0.7%**
Product	269	(4.2%)
Operating costs	**1,786**	**0.2%**
Adjusted EBITDA	**1,241**	**1.0%**
Margin	41.0%	**0.3 pts**
Capex	**656**	**(10.1%)**
Capital intensity	21.7%	(2.0 pts)
Adjusted EBITDA-Capex	**585**	**(7.6%)**

- **2nd consecutive quarter of positive overall revenue growth**
- **Residential Services revenue up 1.8% y/y**
  - Combined Internet and TV revenues up 6%
  - Fewer residential NAS losses contributing to improved y/y rate of voice revenue decline
- **Improved y/y rates of service revenue and EBITDA decline for Business Markets in Q1**
  - IP broadband connectivity and business service solutions revenue up 1% and 6%, respectively
  - Low-margin product revenues down 9% y/y
- **Wireline Adjusted EBITDA up 1.0%**
  - 3rd consecutive quarter of positive y/y growth
  - Industry-leading margin of 41% supported by Bell Aliant integration savings

Best-in-class Adjusted EBITDA-Capex margin of ~20% provides ample room for continued accelerated broadband fibre investment

Bell

Media financials

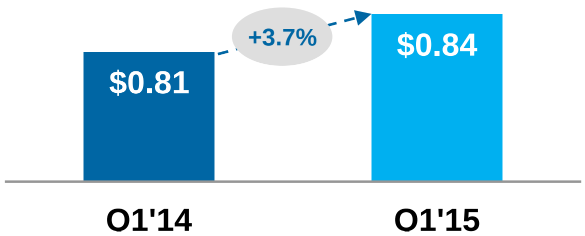
($M)	Q1'15	Y/Y
Revenues	**726**	**0.6%**
Operating costs	**585**	**(2.3%)**
Adjusted EBITDA	**141**	**(6.0%)**
Margin	19.4%	(1.4 pts)
Capex	**20**	**(42.9%)**
Capital intensity	2.8%	(0.9 pts)
Adjusted EBITDA-Capex	**121**	**(11.0%)**

- **Media revenues up 0.6%**
- **Advertising revenues up 2.5% y/y**
  - Growth in conventional TV from strength of live events (Super Bowl and Academy Awards)
  - Sports specialty TV and radio stable y/y
  - Recapture of advertising dollars from broadcaster of Sochi Winter Olympics in Q1'14
- **Subscriber revenues down 4.4% y/y**
  - Closing in 2014 of TSN regional hockey channels and Viewers Choice to impact results through to Q4'15
  - Partly offset by CraveTV and TV Everywhere growth
- **Adjusted EBITDA down 6.0% vs. decline of 16.5% in Q4'14**
  - Excluding CraveTV, Adjusted EBITDA down ~3% y/y

Higher costs for sports rights and CraveTV will impact media financial results throughout 2015

Adjusted EPS

Adjusted EPS[1]



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

Adjusted EPS walk down ($)	Q1’14	Q1’15
Adjusted EBITDA	**1.91**	**1.98**
Depreciation & amortization (D&A)	(0.82)	(0.79)
Net interest expense	(0.22)	(0.21)
Net pension finance cost	(0.02)	(0.02)
Tax adjustments	0.01	0.03
Preferred share dividends & NCI	(0.13)	(0.07)
Share issuance on Bell Aliant privatization	--	(0.07)
Other	0.08	(0.01)
Adjusted EPS	**0.81**	**0.84**

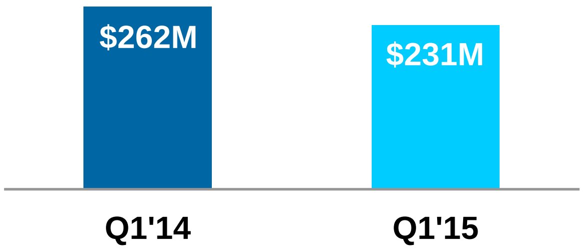
- **Strong organic growth in Adjusted EBITDA contributed $0.07 to y/y increase**
- **Lower D&A expense due to increase in useful lives of certain software assets**
- **Lower interest expense due to higher capitalized interest and lower average cost of debt**
  - FY2015 net interest expense of ~$940M now expected
- **Effective tax rate of 23.1% in Q1’15**
  - Tax adjustments of $0.03 per share vs. $0.01 in Q1’14
  - No further tax adjustments currently expected in 2015
- **Lower Bell Aliant NCI offset by impact of Bell Aliant privatization share issuance**
- **Higher Other Income in Q1’14 due to after-tax earnings from Astral asset divestitures and higher mark-to-market gains on equity derivatives and U.S.-dollar capex hedges**

Higher y/y Adjusted EPS driven by strong wireless and wireline Adjusted EBITDA growth

Bell

Free cash flow

FCF



FCF walkdown ($M)	Q1'14	Q1'15
Adjusted EBITDA[(1)]	1,768	2,170
Capex	(594)	(827)
Adjusted EBITDA-Capex	**1,174**	**1,343**
Net interest paid	(173)	(224)
Cash pension	(89)	(100)
Cash taxes	(280)	(333)
Severance and other costs	(50)	(46)
Working capital & other	(288)	(370)
Preferred share & NCI dividends	(32)	(39)
Free cash flow[(2)]	**262**	**231**

(1) Adjusted EBITDA before post-employment benefit plans service cost
(2) Free cash flow 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.

- **Seasonally low Q1 FCF of $231M, down $31M y/y**
  - Q1'14 FCF included $32M in after-tax earnings from Astral remedy assets
- **Capex reflects higher planned spending in Q1'15**
- **Net interest paid up y/y on higher long-term debt outstanding y/y due to Bell Aliant privatization**
- **Cash taxes up y/y in line with plan, due to higher final instalment payment for 2014**
- **Cash pension funding now includes Bell Aliant**
  - Continued progress on de-risking strategy with execution of longevity insurance agreement
- **Strong liquidity position with cash balance of $1,125M at end of Q1'15**
  - Includes proceeds from recent $500M 30-year public debt offering carrying after-tax interest rate coupon of 3.2%
    - Average after-tax cost of debt of 3.4%
    - Average term of debt: ~9 years
  - All credit ratings confirmed with stable outlooks

Adjusted EBITDA-Capex in Q1 up $169M, or 14.4% y/y

Bell

Outlook

2015 guidance	February 5	April 30
Revenue growth	**1% to 3%**	On track
Adjusted EBITDA growth	**2% to 4%**	On track
Capital intensity	**approx. 17%**	On track
Adjusted EPS[1]	**$3.28 to $3.38**	On track
Growth	approx. 3% to 6%	
Free cash flow[2]	**$2,950M to $3,150M**	On track
Growth	approx. 8% to 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 free cash flow includes 100% of Bell Aliant free cash flow rather than cash dividends received from Bell Aliant.

- **Maintaining focus on wireless postpaid acquisition and profitability**
- **Expect continued y/y improvement in quarterly wireline financial performance**
- **Anticipate continued sluggish conditions to impact Business Markets results**
- **Content costs and soft ad market to continue impacting media results**
- **Aliant integration synergies on track with plan, supporting strong wireline margin**
- **5.3% common dividend increase to $2.60 per share for 2015 effective with Q1 payment on April 15th**

Reconfirming all 2015 financial guidance targets

Bell

Key financial assumptions for 2015

BCE	February 5	April 30
Employee benefit plans service cost (above Adjusted EBITDA)	approx. $260M	No change
Net employee benefit plans financing cost (below Adjusted EBITDA)	approx. $110M	No change
Depreciation & amortization	approx. $3,425M	No change
Interest expense	approx. $970M	**approx. $940M**
Tax adjustments (per share)	approx. $0.02	**approx. $0.03**
Effective tax rate	approx. 26%	No change
Non-controlling interest (P&L)	approx. $50M	No change
Cash pension funding	approx. $400M	No change
Cash taxes	approx. $750M	No change
Net interest payments	approx. $925M	No change
Working capital changes, severance & other costs	Approx. $125M to $225M	No change
Average shares outstanding	approx. 845M	No change