



Q1

Supplementary Financial Information

First Quarter 2020

BCE Investor Relations

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BCE

Consolidated Operational Data

| <i>(In millions of Canadian dollars, except share amounts) (unaudited)</i> | Q1 2020 | Q1 2019 | \$ change | % change |
|---|------------------|------------------|------------------|----------------|
| Operating revenues | | | | |
| Service | 5,058 | 5,045 | 13 | 0.3% |
| Product | 622 | 689 | (67) | (9.7%) |
| Total operating revenues | 5,680 | 5,734 | (54) | (0.9%) |
| Operating costs ^(A) | (3,163) | (3,256) | 93 | 2.9% |
| Post-employment benefit plans service cost | (75) | (69) | (6) | (8.7%) |
| Adjusted EBITDA ⁽³⁾ | 2,442 | 2,409 | 33 | 1.4% |
| Adjusted EBITDA margin ⁽³⁾ | 43.0% | 42.0% | | 1.0 pts |
| Severance, acquisition and other costs | (16) | (24) | 8 | 33.3% |
| Depreciation | (868) | (882) | 14 | 1.6% |
| Amortization | (234) | (221) | (13) | (5.9%) |
| Finance costs | | | | |
| Interest expense | (279) | (283) | 4 | 1.4% |
| Interest on post-employment benefit obligations | (12) | (16) | 4 | 25.0% |
| Other (expense) income | (55) | 101 | (156) | n.m. |
| Income taxes | (245) | (293) | 48 | 16.4% |
| Net earnings | 733 | 791 | (58) | (7.3%) |
| Net earnings attributable to: | | | | |
| Common shareholders | 680 | 740 | (60) | (8.1%) |
| Preferred shareholders | 38 | 38 | - | - |
| Non-controlling interest | 15 | 13 | 2 | 15.4% |
| Net earnings | 733 | 791 | (58) | (7.3%) |
| Net earnings per common share - basic and diluted | \$ 0.75 | \$ 0.82 | \$ (0.07) | (8.5%) |
| Dividends per common share | \$ 0.8325 | \$ 0.7925 | \$ 0.04 | 5.0% |
| Weighted average number of common shares outstanding - basic (millions) | 904.1 | 898.4 | | |
| Weighted average number of common shares outstanding - diluted (millions) | 904.5 | 898.7 | | |
| Number of common shares outstanding (millions) | 904.3 | 898.8 | | |
| Adjusted net earnings and EPS | | | | |
| Net earnings attributable to common shareholders | 680 | 740 | (60) | (8.1%) |
| Severance, acquisition and other costs | 12 | 18 | (6) | (33.3%) |
| Net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans | 20 | (73) | 93 | n.m. |
| Net (gains) losses on investments | (9) | 4 | (13) | n.m. |
| Early debt redemption costs | 12 | - | 12 | n.m. |
| Impairment charges | 5 | 3 | 2 | 66.7% |
| Adjusted net earnings ⁽³⁾ | 720 | 692 | 28 | 4.0% |
| Impact on net earnings per share | \$ 0.05 | \$ (0.05) | \$ 0.10 | n.m. |
| Adjusted EPS ⁽³⁾ | \$ 0.80 | \$ 0.77 | \$ 0.03 | 3.9% |

n.m. : not meaningful

^(A) Excludes post-employment benefit plans service cost

BCE
Consolidated Operational Data - Historical Trend

| <i>(In millions of Canadian dollars, except share amounts) (unaudited)</i> | Q1 20 | TOTAL 2019 | Q4 19 | Q3 19 | Q2 19 | Q1 19 |
|---|------------------|---------------|-----------|-----------|-----------|-----------|
| Operating revenues | | | | | | |
| Service | 5,058 | 20,737 | 5,276 | 5,185 | 5,231 | 5,045 |
| Product | 622 | 3,227 | 1,040 | 799 | 699 | 689 |
| Total operating revenues | 5,680 | 23,964 | 6,316 | 5,984 | 5,930 | 5,734 |
| Operating costs ^(A) | (3,163) | (13,611) | (3,748) | (3,330) | (3,277) | (3,256) |
| Post-employment benefit plans service cost | (75) | (247) | (60) | (60) | (58) | (69) |
| Adjusted EBITDA | 2,442 | 10,106 | 2,508 | 2,594 | 2,595 | 2,409 |
| Adjusted EBITDA margin | 43.0% | 42.2% | 39.7% | 43.3% | 43.8% | 42.0% |
| Severance, acquisition and other costs | (16) | (114) | (28) | (23) | (39) | (24) |
| Depreciation | (868) | (3,496) | (865) | (861) | (888) | (882) |
| Amortization | (234) | (902) | (228) | (230) | (223) | (221) |
| Finance costs | | | | | | |
| Interest expense | (279) | (1,132) | (286) | (282) | (281) | (283) |
| Interest on post-employment benefit obligations | (12) | (63) | (16) | (16) | (15) | (16) |
| Other (expense) income | (55) | (13) | (119) | 61 | (56) | 101 |
| Income taxes | (245) | (1,133) | (243) | (321) | (276) | (293) |
| Net earnings | 733 | 3,253 | 723 | 922 | 817 | 791 |
| Net earnings attributable to: | | | | | | |
| Common shareholders | 680 | 3,040 | 672 | 867 | 761 | 740 |
| Preferred shareholders | 38 | 151 | 38 | 37 | 38 | 38 |
| Non-controlling interest | 15 | 62 | 13 | 18 | 18 | 13 |
| Net earnings | 733 | 3,253 | 723 | 922 | 817 | 791 |
| Net earnings per common share - basic and diluted | \$ 0.75 | \$ 3.37 | \$ 0.74 | \$ 0.96 | \$ 0.85 | \$ 0.82 |
| Dividends per common share | \$ 0.8325 | \$ 3.1700 | \$ 0.7925 | \$ 0.7925 | \$ 0.7925 | \$ 0.7925 |
| Weighted average number of common shares outstanding - basic (millions) | 904.1 | 900.8 | 903.8 | 901.4 | 899.5 | 898.4 |
| Weighted average number of common shares outstanding - diluted (millions) | 904.5 | 901.4 | 904.8 | 902.2 | 900.3 | 898.7 |
| Number of common shares outstanding (millions) | 904.3 | 903.9 | 903.9 | 903.7 | 900.1 | 898.8 |
| Adjusted net earnings and EPS | | | | | | |
| Net earnings attributable to common shareholders | 680 | 3,040 | 672 | 867 | 761 | 740 |
| Severance, acquisition and other costs | 12 | 83 | 20 | 17 | 28 | 18 |
| Net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans | 20 | (101) | 45 | (64) | (9) | (73) |
| Net (gains) losses on investments | (9) | 44 | (13) | - | 53 | 4 |
| Early debt redemption costs | 12 | 13 | - | - | 13 | - |
| Impairment charges | 5 | 74 | 70 | - | 1 | 3 |
| Adjusted net earnings | 720 | 3,153 | 794 | 820 | 847 | 692 |
| Impact on net earnings per share | \$ 0.05 | \$ 0.13 | \$ 0.14 | \$ (0.05) | \$ 0.09 | \$ (0.05) |
| Adjusted EPS | \$ 0.80 | \$ 3.50 | \$ 0.88 | \$ 0.91 | \$ 0.94 | \$ 0.77 |

(A) Excludes post-employment benefit plans service cost

BCE ^{(1) (2)}
Segmented Data

(In millions of Canadian dollars, except where otherwise indicated) (unaudited)

| | Q1 2020 | Q1 2019 | \$ change | % change |
|----------------------------------|----------------|----------------|-------------|---------------|
| Operating revenues | | | | |
| Bell Wireless | 2,035 | 2,077 | (42) | (2.0%) |
| Bell Wireline | 3,076 | 3,097 | (21) | (0.7%) |
| Bell Media | 752 | 745 | 7 | 0.9% |
| Inter-segment eliminations | (183) | (185) | 2 | 1.1% |
| Total | 5,680 | 5,734 | (54) | (0.9%) |
| Operating costs | | | | |
| Bell Wireless | (1,107) | (1,185) | 78 | 6.6% |
| Bell Wireline | (1,717) | (1,745) | 28 | 1.6% |
| Bell Media | (597) | (580) | (17) | (2.9%) |
| Inter-segment eliminations | 183 | 185 | (2) | (1.1%) |
| Total | (3,238) | (3,325) | 87 | 2.6% |
| Adjusted EBITDA | | | | |
| Bell Wireless | 928 | 892 | 36 | 4.0% |
| Margin | 45.6% | 42.9% | | 2.7 pts |
| Bell Wireline | 1,359 | 1,352 | 7 | 0.5% |
| Margin | 44.2% | 43.7% | | 0.5 pts |
| Bell Media | 155 | 165 | (10) | (6.1%) |
| Margin | 20.6% | 22.1% | | (1.5) pts |
| Total | 2,442 | 2,409 | 33 | 1.4% |
| Margin | 43.0% | 42.0% | | 1.0 pts |
| Capital expenditures | | | | |
| Bell Wireless | 130 | 148 | 18 | 12.2% |
| Capital intensity ⁽⁴⁾ | 6.4% | 7.1% | | 0.7 pts |
| Bell Wireline | 628 | 677 | 49 | 7.2% |
| Capital intensity | 20.4% | 21.9% | | 1.5 pts |
| Bell Media | 25 | 25 | - | - |
| Capital intensity | 3.3% | 3.4% | | 0.1 pts |
| Total | 783 | 850 | 67 | 7.9% |
| Capital intensity | 13.8% | 14.8% | | 1.0 pts |

BCE
Segmented Data - Historical Trend

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | Q1 20 | TOTAL 2019 | Q4 19 | Q3 19 | Q2 19 | Q1 19 |
|--|----------------|-----------------------|--------------|--------------|--------------|--------------|
| Operating revenues | | | | | | |
| Bell Wireless | 2,035 | 9,001 | 2,454 | 2,310 | 2,160 | 2,077 |
| Bell Wireline | 3,076 | 12,488 | 3,176 | 3,101 | 3,114 | 3,097 |
| Bell Media | 752 | 3,217 | 879 | 751 | 842 | 745 |
| Inter-segment eliminations | (183) | (742) | (193) | (178) | (186) | (185) |
| Total | 5,680 | 23,964 | 6,316 | 5,984 | 5,930 | 5,734 |
| Operating costs | | | | | | |
| Bell Wireless | (1,107) | (5,210) | (1,523) | (1,310) | (1,192) | (1,185) |
| Bell Wireline | (1,717) | (7,023) | (1,804) | (1,733) | (1,741) | (1,745) |
| Bell Media | (597) | (2,367) | (674) | (525) | (588) | (580) |
| Inter-segment eliminations | 183 | 742 | 193 | 178 | 186 | 185 |
| Total | (3,238) | (13,858) | (3,808) | (3,390) | (3,335) | (3,325) |
| Adjusted EBITDA | | | | | | |
| Bell Wireless | 928 | 3,791 | 931 | 1,000 | 968 | 892 |
| Margin | 45.6% | 42.1% | 37.9% | 43.3% | 44.8% | 42.9% |
| Bell Wireline | 1,359 | 5,465 | 1,372 | 1,368 | 1,373 | 1,352 |
| Margin | 44.2% | 43.8% | 43.2% | 44.1% | 44.1% | 43.7% |
| Bell Media | 155 | 850 | 205 | 226 | 254 | 165 |
| Margin | 20.6% | 26.4% | 23.3% | 30.1% | 30.2% | 22.1% |
| Total | 2,442 | 10,106 | 2,508 | 2,594 | 2,595 | 2,409 |
| Margin | 43.0% | 42.2% | 39.7% | 43.3% | 43.8% | 42.0% |
| Capital expenditures | | | | | | |
| Bell Wireless | 130 | 671 | 203 | 161 | 159 | 148 |
| Capital intensity | 6.4% | 7.5% | 8.3% | 7.0% | 7.4% | 7.1% |
| Bell Wireline | 628 | 3,209 | 913 | 830 | 789 | 677 |
| Capital intensity | 20.4% | 25.7% | 28.7% | 26.8% | 25.3% | 21.9% |
| Bell Media | 25 | 108 | 37 | 22 | 24 | 25 |
| Capital intensity | 3.3% | 3.4% | 4.2% | 2.9% | 2.9% | 3.4% |
| Total | 783 | 3,988 | 1,153 | 1,013 | 972 | 850 |
| Capital intensity | 13.8% | 16.6% | 18.3% | 16.9% | 16.4% | 14.8% |

Bell Wireless ^{(1) (2)}

(In millions of Canadian dollars, except where otherwise indicated) (unaudited)

| | Q1 2020 | Q1 2019 | % change |
|---|------------------|------------|------------|
| Bell Wireless | | | |
| Operating revenues | | | |
| External service revenues | 1,535 | 1,528 | 0.5% |
| Inter-segment service revenues | 12 | 12 | - |
| Total operating service revenues | 1,547 | 1,540 | 0.5% |
| External product revenues | 487 | 536 | (9.1%) |
| Inter-segment product revenues | 1 | 1 | - |
| Total operating product revenues | 488 | 537 | (9.1%) |
| Total external revenues | 2,022 | 2,064 | (2.0%) |
| Total operating revenues | 2,035 | 2,077 | (2.0%) |
| Operating costs | (1,107) | (1,185) | 6.6% |
| Adjusted EBITDA | 928 | 892 | 4.0% |
| <i>Adjusted EBITDA margin (Total operating revenues)</i> | 45.6% | 42.9% | 2.7 pts |
| Capital expenditures | 130 | 148 | 12.2% |
| <i>Capital intensity</i> | 6.4% | 7.1% | 0.7 pts |
| Wireless subscriber gross activations ⁽⁴⁾ | 406,419 | 410,301 | (0.9%) |
| Postpaid | 282,412 | 320,558 | (11.9%) |
| Prepaid | 124,007 | 89,743 | 38.2% |
| Wireless subscriber net activations (losses) | 19,595 | 38,282 | (48.8%) |
| Postpaid | 23,650 | 50,204 | (52.9%) |
| Prepaid | (4,055) | (11,922) | 66.0% |
| Wireless subscribers end of period (EOP) | 9,977,557 | 9,480,835 | 5.2% |
| Postpaid | 9,183,590 | 8,808,189 | 4.3% |
| Prepaid | 793,967 | 672,646 | 18.0% |
| Blended average billing per user (ABPU)(\$/month) ^{(4)(A)} | 65.53 | 67.35 | (2.7%) |
| Churn (%) (average per month) ⁽⁴⁾ | 1.30% | 1.31% | 0.01 pts |
| Postpaid | 0.97% | 1.07% | 0.10 pts |
| Prepaid | 5.03% | 4.49% | (0.54) pts |

^(A) In Q1 2020, we updated our definition of ABPU to include monthly billings related to device financing receivables owing from customers on contract. Consequently, we restated previously reported 2019 ABPU for comparability. See Note 4, Key performance indicators (KPIs), for the definition of ABPU.

Bell Wireless - Historical Trend

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | Q1 20 | TOTAL 2019 | Q4 19 | Q3 19 | Q2 19 | Q1 19 |
|--|------------------|---------------|-----------|-----------|-----------|-----------|
| Bell Wireless | | | | | | |
| Operating revenues | | | | | | |
| External service revenues | 1,535 | 6,323 | 1,582 | 1,633 | 1,580 | 1,528 |
| Inter-segment service revenues | 12 | 49 | 12 | 13 | 12 | 12 |
| Total operating service revenues | 1,547 | 6,372 | 1,594 | 1,646 | 1,592 | 1,540 |
| External product revenues | 487 | 2,623 | 857 | 664 | 566 | 536 |
| Inter-segment product revenues | 1 | 6 | 3 | - | 2 | 1 |
| Total operating product revenues | 488 | 2,629 | 860 | 664 | 568 | 537 |
| Total external revenues | 2,022 | 8,946 | 2,439 | 2,297 | 2,146 | 2,064 |
| Total operating revenues | 2,035 | 9,001 | 2,454 | 2,310 | 2,160 | 2,077 |
| Operating costs | (1,107) | (5,210) | (1,523) | (1,310) | (1,192) | (1,185) |
| Adjusted EBITDA | 928 | 3,791 | 931 | 1,000 | 968 | 892 |
| <i>Adjusted EBITDA margin (Total operating revenues)</i> | 45.6% | 42.1% | 37.9% | 43.3% | 44.8% | 42.9% |
| Capital expenditures | 130 | 671 | 203 | 161 | 159 | 148 |
| <i>Capital intensity</i> | 6.4% | 7.5% | 8.3% | 7.0% | 7.4% | 7.1% |
| Wireless subscriber gross activations | 406,419 | 2,117,517 | 596,019 | 593,547 | 517,650 | 410,301 |
| Postpaid | 282,412 | 1,568,729 | 455,111 | 417,966 | 375,094 | 320,558 |
| Prepaid | 124,007 | 548,788 | 140,908 | 175,581 | 142,556 | 89,743 |
| Wireless subscriber net activations (losses) | 19,595 | 515,409 | 123,582 | 204,067 | 149,478 | 38,282 |
| Postpaid | 23,650 | 401,955 | 121,599 | 127,172 | 102,980 | 50,204 |
| Prepaid | (4,055) | 113,454 | 1,983 | 76,895 | 46,498 | (11,922) |
| Wireless subscribers EOP | 9,977,557 | 9,957,962 | 9,957,962 | 9,834,380 | 9,630,313 | 9,480,835 |
| Postpaid | 9,183,590 | 9,159,940 | 9,159,940 | 9,038,341 | 8,911,169 | 8,808,189 |
| Prepaid | 793,967 | 798,022 | 798,022 | 796,039 | 719,144 | 672,646 |
| Blended ABPU (\$/month) ^(A) | 65.53 | 68.36 | 67.35 | 69.94 | 68.79 | 67.35 |
| Churn (%)(average per month) | 1.30% | 1.39% | 1.60% | 1.34% | 1.29% | 1.31% |
| Postpaid | 0.97% | 1.13% | 1.28% | 1.12% | 1.06% | 1.07% |
| Prepaid | 5.03% | 4.44% | 5.14% | 3.89% | 4.20% | 4.49% |

^(A)In Q1 2020, we updated our definition of ABPU to include monthly billings related to device financing receivables owing from customers on contract. Consequently, we restated previously reported 2019 ABPU for comparability. See Note 4, Key performance indicators (KPIs), for the definition of ABPU.

Bell Wireline ^{(1) (2)}

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | Q1 2020 | Q1 2019 | % change |
|--|------------|------------|----------|
| Bell Wireline | | | |
| Operating revenues | | | |
| Data | 1,931 | 1,911 | 1.0% |
| Voice | 872 | 907 | (3.9%) |
| Other services | 62 | 59 | 5.1% |
| Total external service revenues | 2,865 | 2,877 | (0.4%) |
| Inter-segment service revenues | 76 | 67 | 13.4% |
| Total operating service revenues | 2,941 | 2,944 | (0.1%) |
| Data | 123 | 142 | (13.4%) |
| Equipment and other | 12 | 11 | 9.1% |
| Total external product revenues | 135 | 153 | (11.8%) |
| Inter-segment product revenues | - | - | - |
| Total operating product revenues | 135 | 153 | (11.8%) |
| Total external revenues | 3,000 | 3,030 | (1.0%) |
| Total operating revenues | 3,076 | 3,097 | (0.7%) |
| Operating costs | (1,717) | (1,745) | 1.6% |
| Adjusted EBITDA | 1,359 | 1,352 | 0.5% |
| <i>Adjusted EBITDA margin</i> | 44.2% | 43.7% | 0.5 pts |
| Capital expenditures | 628 | 677 | 7.2% |
| <i>Capital intensity</i> | 20.4% | 21.9% | 1.5 pts |
| Retail high-speed Internet subscribers ⁽⁴⁾ | | | |
| Retail net activations | 22,595 | 22,671 | (0.3%) |
| Retail subscribers EOP | 3,578,196 | 3,442,411 | 3.9% |
| Retail TV subscribers ⁽⁴⁾ | | | |
| Retail net subscriber (losses) activations | (18,555) | (1,560) | n.m. |
| Internet protocol television (IPTV) | 2,852 | 20,916 | (86.4%) |
| Satellite | (21,407) | (22,476) | 4.8% |
| Total retail subscribers EOP | 2,753,909 | 2,764,851 | (0.4%) |
| IPTV | 1,770,034 | 1,696,622 | 4.3% |
| Satellite | 983,875 | 1,068,229 | (7.9%) |
| Retail residential network access services (NAS) ⁽⁴⁾ | | | |
| Retail residential NAS lines net losses | (61,595) | (66,779) | 7.8% |
| Retail residential NAS lines | 2,635,888 | 2,894,029 | (8.9%) |

n.m. : not meaningful

Bell Wireline - Historical Trend

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | Q1 20 | TOTAL 2019 | Q4 19 | Q3 19 | Q2 19 | Q1 19 |
|--|--------------|---------------|--------------|--------------|--------------|--------------|
| Bell Wireline | | | | | | |
| Operating revenues | | | | | | |
| Data | 1,931 | 7,788 | 1,966 | 1,956 | 1,955 | 1,911 |
| Voice | 872 | 3,564 | 879 | 881 | 897 | 907 |
| Other services | 62 | 251 | 69 | 61 | 62 | 59 |
| Total external service revenues | 2,865 | 11,603 | 2,914 | 2,898 | 2,914 | 2,877 |
| Inter-segment service revenues | 76 | 281 | 79 | 68 | 67 | 67 |
| Total operating service revenues | 2,941 | 11,884 | 2,993 | 2,966 | 2,981 | 2,944 |
| Data | 123 | 556 | 166 | 125 | 123 | 142 |
| Equipment and other | 12 | 48 | 17 | 10 | 10 | 11 |
| Total external product revenues | 135 | 604 | 183 | 135 | 133 | 153 |
| Inter-segment product revenues | - | - | - | - | - | - |
| Total operating product revenues | 135 | 604 | 183 | 135 | 133 | 153 |
| Total external revenues | 3,000 | 12,207 | 3,097 | 3,033 | 3,047 | 3,030 |
| Total operating revenues | 3,076 | 12,488 | 3,176 | 3,101 | 3,114 | 3,097 |
| Operating costs | (1,717) | (7,023) | (1,804) | (1,733) | (1,741) | (1,745) |
| Adjusted EBITDA | 1,359 | 5,465 | 1,372 | 1,368 | 1,373 | 1,352 |
| <i>Adjusted EBITDA margin</i> | 44.2% | 43.8% | 43.2% | 44.1% | 44.1% | 43.7% |
| Capital expenditures | 628 | 3,209 | 913 | 830 | 789 | 677 |
| <i>Capital intensity</i> | 20.4% | 25.7% | 28.7% | 26.8% | 25.3% | 21.9% |
| Retail high-speed Internet subscribers | | | | | | |
| Retail net activations | 22,595 | 135,861 | 35,639 | 58,137 | 19,414 | 22,671 |
| Retail subscribers EOP | 3,578,196 | 3,555,601 | 3,555,601 | 3,519,962 | 3,461,825 | 3,442,411 |
| Retail TV subscribers | | | | | | |
| Retail net subscriber (losses) activations | (18,555) | 6,053 | 421 | 4,842 | 2,350 | (1,560) |
| IPTV | 2,852 | 91,476 | 22,039 | 31,746 | 16,775 | 20,916 |
| Satellite | (21,407) | (85,423) | (21,618) | (26,904) | (14,425) | (22,476) |
| Total retail subscribers EOP | 2,753,909 | 2,772,464 | 2,772,464 | 2,772,043 | 2,767,201 | 2,764,851 |
| IPTV | 1,770,034 | 1,767,182 | 1,767,182 | 1,745,143 | 1,713,397 | 1,696,622 |
| Satellite | 983,875 | 1,005,282 | 1,005,282 | 1,026,900 | 1,053,804 | 1,068,229 |
| Retail residential network access services (NAS) | | | | | | |
| Retail residential NAS lines net losses | (61,595) | (263,325) | (58,110) | (65,656) | (72,780) | (66,779) |
| Retail residential NAS lines | 2,635,888 | 2,697,483 | 2,697,483 | 2,755,593 | 2,821,249 | 2,894,029 |

BCE - Net debt and preferred shares*(In millions of Canadian dollars, except where otherwise indicated) (unaudited)*

| | March 31 2020 | December 31 2019 |
|---|------------------|---------------------|
| Debt due within one year | 4,209 | 3,881 |
| Long-term debt | 25,513 | 22,415 |
| 50% of preferred shares | 2,002 | 2,002 |
| Cash and cash equivalents | (2,679) | (145) |
| Net debt ⁽³⁾ | 29,045 | 28,153 |
| Net debt leverage ratio ⁽³⁾ | 2.86 | 2.79 |
| Adjusted EBITDA/net interest expense ratio ⁽³⁾ | 8.61 | 8.54 |

Cash flow information*(In millions of Canadian dollars, except where otherwise indicated) (unaudited)*

| | Q1 2020 | Q1 2019 | \$ change | % change |
|---|------------|------------|-----------|----------|
| Free cash flow (FCF) ⁽³⁾ | | | | |
| Cash flows from operating activities | 1,451 | 1,516 | (65) | (4.3%) |
| Capital expenditures | (783) | (850) | 67 | 7.9% |
| Cash dividends paid on preferred shares | (36) | (26) | (10) | (38.5%) |
| Cash dividends paid by subsidiaries to non-controlling interest | (14) | (27) | 13 | 48.1% |
| Acquisition and other costs paid | 9 | 29 | (20) | (69.0%) |
| FCF | 627 | 642 | (15) | (2.3%) |

Cash flow information - Historical trend*(In millions of Canadian dollars, except where otherwise indicated) (unaudited)*

| | Q1 2020 | TOTAL 2019 | Q4 2019 | Q3 2019 | Q2 2019 | Q1 2019 |
|---|------------|---------------|------------|------------|------------|------------|
| FCF | | | | | | |
| Cash flows from operating activities | 1,451 | 7,958 | 2,091 | 2,258 | 2,093 | 1,516 |
| Capital expenditures | (783) | (3,988) | (1,153) | (1,013) | (972) | (850) |
| Cash dividends paid on preferred shares | (36) | (147) | (37) | (47) | (37) | (26) |
| Cash dividends paid by subsidiaries to non-controlling interest | (14) | (65) | (14) | (12) | (12) | (27) |
| Acquisition and other costs paid | 9 | 60 | 7 | 3 | 21 | 29 |
| FCF | 627 | 3,818 | 894 | 1,189 | 1,093 | 642 |

BCE
Consolidated Statements of Financial Position

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | March 31 2020 | December 31 2019 |
|--|------------------|---------------------|
| ASSETS | | |
| Current assets | | |
| Cash | 943 | 141 |
| Cash equivalents | 1,736 | 4 |
| Trade and other receivables | 2,990 | 3,038 |
| Inventory | 487 | 427 |
| Contract assets | 1,037 | 1,111 |
| Contract costs | 416 | 415 |
| Prepaid expenses | 280 | 194 |
| Other current assets | 419 | 190 |
| Total current assets | 8,308 | 5,520 |
| Non-current assets | | |
| Contract assets | 452 | 533 |
| Contract costs | 363 | 368 |
| Property, plant and equipment | 27,432 | 27,636 |
| Intangible assets | 13,513 | 13,352 |
| Deferred tax assets | 90 | 98 |
| Investments in associates and joint ventures | 730 | 698 |
| Other non-current assets | 3,960 | 1,274 |
| Goodwill | 10,667 | 10,667 |
| Total non-current assets | 57,207 | 54,626 |
| Total assets | 65,515 | 60,146 |
| LIABILITIES | | |
| Current liabilities | | |
| Trade payables and other liabilities | 3,335 | 3,954 |
| Contract liabilities | 725 | 683 |
| Interest payable | 192 | 227 |
| Dividends payable | 767 | 729 |
| Current tax liabilities | 186 | 303 |
| Debt due within one year | 4,209 | 3,881 |
| Total current liabilities | 9,414 | 9,777 |
| Non-current liabilities | | |
| Contract liabilities | 211 | 207 |
| Long-term debt | 25,513 | 22,415 |
| Deferred tax liabilities | 4,444 | 3,561 |
| Post-employment benefit obligations | 1,603 | 1,907 |
| Other non-current liabilities | 906 | 871 |
| Total non-current liabilities | 32,677 | 28,961 |
| Total liabilities | 42,091 | 38,738 |
| EQUITY | | |
| Equity attributable to BCE shareholders | | |
| Preferred shares | 4,004 | 4,004 |
| Common shares | 20,386 | 20,363 |
| Contributed surplus | 1,156 | 1,178 |
| Accumulated other comprehensive income | 528 | 161 |
| Deficit | (2,990) | (4,632) |
| Total equity attributable to BCE shareholders | 23,084 | 21,074 |
| Non-controlling interest | 340 | 334 |
| Total equity | 23,424 | 21,408 |
| Total liabilities and equity | 65,515 | 60,146 |
| Number of common shares outstanding (millions) | 904.3 | 903.9 |

BCE
Consolidated Cash Flow Data

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | Q1 2020 | Q1 2019 | \$ change |
|--|--------------|--------------|--------------|
| Net earnings | 733 | 791 | (58) |
| Adjustments to reconcile net earnings to cash flows from operating activities | | | |
| Severance, acquisition and other costs | 16 | 24 | (8) |
| Depreciation and amortization | 1,102 | 1,103 | (1) |
| Post-employment benefit plans cost | 87 | 85 | 2 |
| Net interest expense | 272 | 278 | (6) |
| Losses on investments | 1 | 4 | (3) |
| Income taxes | 245 | 293 | (48) |
| Contributions to post-employment benefit plans | (79) | (81) | 2 |
| Payments under other post-employment benefit plans | (17) | (18) | 1 |
| Severance and other costs paid | (35) | (66) | 31 |
| Interest paid | (318) | (267) | (51) |
| Income taxes paid (net of refunds) | (233) | (289) | 56 |
| Acquisition and other costs paid | (9) | (29) | 20 |
| Net change in operating assets and liabilities | (314) | (312) | (2) |
| Cash flows from operating activities | 1,451 | 1,516 | (65) |
| Capital expenditures | (783) | (850) | 67 |
| Cash dividends paid on preferred shares | (36) | (26) | (10) |
| Cash dividends paid by subsidiaries to non-controlling interest | (14) | (27) | 13 |
| Acquisition and other costs paid | 9 | 29 | (20) |
| Free cash flow | 627 | 642 | (15) |
| Acquisition and other costs paid | (9) | (29) | 20 |
| Other investing activities | (7) | (24) | 17 |
| (Decrease) increase in notes payable | (230) | 567 | (797) |
| Increase in securitized trade receivables | 400 | 31 | 369 |
| Issue of long-term debt | 3,281 | - | 3,281 |
| Repayment of long-term debt | (711) | (204) | (507) |
| Issue of common shares | 22 | 20 | 2 |
| Purchase of shares for settlement of share-based payments | (94) | (76) | (18) |
| Cash dividends paid on common shares | (716) | (678) | (38) |
| Other financing activities | (29) | (6) | (23) |
| | 1,907 | (399) | 2,306 |
| Net increase in cash and cash equivalents | 2,534 | 243 | 2,291 |
| Cash and cash equivalents at beginning of period | 145 | 425 | (280) |
| Cash and cash equivalents at end of period | 2,679 | 668 | 2,011 |

Consolidated Cash Flow Data - Historical Trend

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | Q1 20 | TOTAL 2019 | Q4 19 | Q3 19 | Q2 19 | Q1 19 |
|--|--------------|----------------|----------------|----------------|--------------|--------------|
| Net earnings | 733 | 3,253 | 723 | 922 | 817 | 791 |
| Adjustments to reconcile net earnings to cash flows from operating activities | | | | | | |
| Severance, acquisition and other costs | 16 | 114 | 28 | 23 | 39 | 24 |
| Depreciation and amortization | 1,102 | 4,398 | 1,093 | 1,091 | 1,111 | 1,103 |
| Post-employment benefit plans cost | 87 | 310 | 76 | 76 | 73 | 85 |
| Net interest expense | 272 | 1,108 | 282 | 275 | 273 | 278 |
| Losses on investments | 1 | (13) | (17) | - | - | 4 |
| Income taxes | 245 | 1,133 | 243 | 321 | 276 | 293 |
| Contributions to post-employment benefit plans | (79) | (290) | (77) | (62) | (70) | (81) |
| Payments under other post-employment benefit plans | (17) | (72) | (18) | (17) | (19) | (18) |
| Severance and other costs paid | (35) | (168) | (23) | (46) | (33) | (66) |
| Interest paid | (318) | (1,087) | (264) | (286) | (270) | (267) |
| Income taxes paid (net of refunds) | (233) | (725) | (221) | (88) | (127) | (289) |
| Acquisition and other costs paid | (9) | (60) | (7) | (3) | (21) | (29) |
| Net change in operating assets and liabilities | (314) | 57 | 273 | 52 | 44 | (312) |
| Cash flows from operating activities | 1,451 | 7,958 | 2,091 | 2,258 | 2,093 | 1,516 |
| Capital expenditures | (783) | (3,988) | (1,153) | (1,013) | (972) | (850) |
| Cash dividends paid on preferred shares | (36) | (147) | (37) | (47) | (37) | (26) |
| Cash dividends paid by subsidiaries to non-controlling interest | (14) | (65) | (14) | (12) | (12) | (27) |
| Acquisition and other costs paid | 9 | 60 | 7 | 3 | 21 | 29 |
| Free cash flow | 627 | 3,818 | 894 | 1,189 | 1,093 | 642 |
| Business acquisitions | - | (51) | - | (1) | (50) | - |
| Acquisition and other costs paid | (9) | (60) | (7) | (3) | (21) | (29) |
| Other investing activities | (7) | 3 | (9) | 4 | 32 | (24) |
| (Decrease) increase in notes payable | (230) | (1,073) | (851) | (1,066) | 277 | 567 |
| Increase in securitized trade receivables | 400 | 131 | 100 | - | - | 31 |
| Issue of long-term debt | 3,281 | 1,954 | - | 549 | 1,405 | - |
| Repayment of long-term debt | (711) | (2,228) | (199) | (226) | (1,599) | (204) |
| Issue of common shares | 22 | 240 | 15 | 161 | 44 | 20 |
| Purchase of shares for settlement of share-based payments | (94) | (142) | (42) | (14) | (10) | (76) |
| Cash dividends paid on common shares | (716) | (2,819) | (716) | (713) | (712) | (678) |
| Other financing activities | (29) | (53) | (6) | (8) | (33) | (6) |
| | 1,907 | (4,098) | (1,715) | (1,317) | (667) | (399) |
| Net increase (decrease) increase in cash and cash equivalents | 2,534 | (280) | (821) | (128) | 426 | 243 |
| Cash and cash equivalents at beginning of period | 145 | 425 | 966 | 1,094 | 668 | 425 |
| Cash and cash equivalents at end of period | 2,679 | 145 | 145 | 966 | 1,094 | 668 |

Accompanying Notes

- (1) Our results are reported in three segments: Bell Wireless, Bell Wireline and Bell Media. Our segments reflect how we manage our business and how we classify our operations for planning and measuring performance.

Throughout this report, *we, us, our, BCE and the company* mean, as the context may require, either BCE Inc. or, collectively, BCE Inc., Bell Canada, their subsidiaries, joint arrangements and associates. *Bell* means, as the context may require, either Bell Canada or, collectively, Bell Canada, its subsidiaries, joint arrangements and associates.

- (2) To align with changes in how we manage our business and assess performance, the operating results of our public safety land radio network business are now included within our Bell Wireline segment effective January 1, 2020, with prior periods restated for comparative purposes. Previously, these results were included within our Bell Wireless segment. Our public safety land radio network business, which builds and manages land mobile radio networks primarily for the government sector, is now managed by our Bell Business Markets team in order to better serve our customers with end-to-end communications solutions.

(3) **Non-GAAP Financial Measures**

Adjusted EBITDA and adjusted EBITDA margin

The terms adjusted EBITDA and adjusted EBITDA margin do not have any standardized meaning under IFRS. Therefore, they are unlikely to be comparable to similar measures presented by other issuers.

We define adjusted EBITDA as operating revenues less operating costs (including post-employment benefit plans service cost) as shown in BCE's consolidated income statements. Adjusted EBITDA for BCE's segments is the same as segment profit as reported in BCE's consolidated financial statements. We define adjusted EBITDA margin as adjusted EBITDA divided by operating revenues.

We use adjusted EBITDA and adjusted EBITDA margin to evaluate the performance of our businesses as they reflect their ongoing profitability. We believe that certain investors and analysts use adjusted EBITDA to measure a company's ability to service debt and to meet other payment obligations or as a common measurement to value companies in the telecommunications industry. We believe that certain investors and analysts also use adjusted EBITDA and adjusted EBITDA margin to evaluate the performance of our businesses. Adjusted EBITDA also is one component in the determination of short-term incentive compensation for all management employees.

Adjusted EBITDA and adjusted EBITDA margin have no directly comparable IFRS financial measure. Alternatively, adjusted EBITDA may be reconciled to net earnings as shown in this document.

Adjusted net earnings and adjusted earnings per share (EPS)

The terms adjusted net earnings and adjusted EPS do not have any standardized meaning under IFRS. Therefore, they are unlikely to be comparable to similar measures presented by other issuers.

We define adjusted net earnings as net earnings attributable to common shareholders before severance, acquisition and other costs, net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans, net losses (gains) on investments, early debt redemption costs and impairment charges, net of tax and non-controlling interest (NCI). We define adjusted EPS as adjusted net earnings per BCE common share.

We use adjusted net earnings and adjusted EPS, and we believe that certain investors and analysts use these measures, among other ones, to assess the performance of our businesses without the effects of severance, acquisition and other costs, net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans, net losses (gains) on investments, early debt redemption costs and impairment charges, net of tax and NCI. We exclude these items because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring.

The most comparable IFRS financial measures are net earnings attributable to common shareholders and EPS, as reconciled in this document.

Free cash flow

The term free cash flow does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define free cash flow as cash flows from operating activities, excluding acquisition and other costs paid (which include significant litigation costs) and voluntary pension funding, less capital expenditures, preferred share dividends and dividends paid by subsidiaries to NCI. We exclude acquisition and other costs paid and voluntary pension funding because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring.

We consider free cash flow to be an important indicator of the financial strength and performance of our businesses because it shows how much cash is available to pay dividends on common shares, repay debt and reinvest in our company.

We believe that certain investors and analysts use free cash flow to value a business and its underlying assets and to evaluate the financial strength and performance of our businesses.

The most comparable IFRS financial measure is cash flows from operating activities, as reconciled in this document.

Net debt

The term net debt does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define net debt as debt due within one year plus long-term debt and 50% of preferred shares, less cash and cash equivalents, as shown in BCE's consolidated statements of financial position. We include 50% of outstanding preferred shares in our net debt as it is consistent with the treatment by certain credit rating agencies.

We consider net debt to be an important indicator of the company's financial leverage because it represents the amount of debt that is not covered by available cash and cash equivalents. We believe that certain investors and analysts use net debt to determine a company's financial leverage.

Net debt has no directly comparable IFRS financial measure, but rather is calculated using several asset and liability categories from the statements of financial position, as shown in this document.

Net debt leverage ratio

The net debt leverage ratio does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. We use, and believe that certain investors and analysts use, the net debt leverage ratio as a measure of financial leverage.

The net debt leverage ratio represents net debt divided by adjusted EBITDA. For the purposes of calculating our net debt leverage ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA.

Adjusted EBITDA to net interest expense ratio

The ratio of adjusted EBITDA to net interest expense does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. We use, and believe that certain investors and analysts use, the adjusted EBITDA to net interest expense ratio as a measure of financial health of the company.

The adjusted EBITDA to net interest expense ratio represents adjusted EBITDA divided by net interest expense. For the purposes of calculating our adjusted EBITDA to net interest expense ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA. Net interest expense is twelve-month trailing net interest expense as shown in our statements of cash flows, plus 50% of declared preferred share dividends as shown in our income statements.

(4) Key performance indicators (KPIs)

In addition to the non-GAAP financial measures described previously, we use a number of KPIs to measure the success of our strategic imperatives. These KPIs are not accounting measures and may not be comparable to similar measures presented by other issuers.

Average billing per user (ABPU) or subscriber approximates the average amount billed to customers on a monthly basis, including monthly billings related to device financing receivables owing from customers on contract, which is used to track our recurring billing streams. Wireless blended ABPU is calculated by dividing certain customer billings by the average subscriber base for the specified period and is expressed as a dollar unit per month.

Capital intensity is capital expenditures divided by operating revenues.

Churn is the rate at which existing subscribers cancel their services. It is a measure of our ability to retain our customers. Wireless churn is calculated by dividing the number of deactivations during a given period by the average number of subscribers in the base for the specified period and is expressed as a percentage per month.

Wireless subscriber unit is comprised of an active revenue-generating unit (e.g. mobile device, tablet or wireless Internet products), with a unique identifier (typically International Mobile Equipment Identity (IMEI) number), that has access to our wireless networks. We report wireless subscriber units in two categories: postpaid and prepaid. Prepaid subscriber units are considered active for a period of 90 days following the expiry of the subscriber's prepaid balance.

Wireline subscriber unit consists of an active revenue-generating unit with access to our services, including retail Internet, satellite TV, IPTV, and/or NAS. A subscriber is included in our subscriber base when the service has been installed and is operational at the customer premise and a billing relationship has been established.

- Retail Internet, IPTV and satellite TV subscribers have access to stand-alone services, and are primarily represented by a dwelling unit
- Retail NAS subscribers are based on a line count and are represented by a unique telephone number