



Q3

Supplementary Financial Information

Third Quarter 2021

BCE Investor Relations

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BCE

Consolidated Operational Data

	Q3 2021	Q3 2020	\$ change	% change	YTD 2021	YTD 2020	\$ change	% change
<i>(In millions of Canadian dollars, except share amounts) (unaudited)</i>								
Operating revenues								
Service	5,099	4,924	175	3.6%	15,107	14,742	365	2.5%
Product	737	863	(126)	(14.6%)	2,133	2,039	94	4.6%
Total operating revenues	5,836	5,787	49	0.8%	17,240	16,781	459	2.7%
Operating costs ^(A)	(3,213)	(3,268)	55	1.7%	(9,575)	(9,374)	(201)	(2.1%)
Post-employment benefit plans service cost	(65)	(65)	-	-	(202)	(204)	2	1.0%
Adjusted EBITDA ⁽²⁾	2,558	2,454	104	4.2%	7,463	7,203	260	3.6%
Adjusted EBITDA margin ⁽²⁾	43.8%	42.4%		1.4 pts	43.3%	42.9%		0.4 pts
Severance, acquisition and other costs	(50)	(26)	(24)	(92.3%)	(146)	(64)	(82)	n.m.
Depreciation	(902)	(876)	(26)	(3.0%)	(2,702)	(2,603)	(99)	(3.8%)
Amortization	(245)	(232)	(13)	(5.6%)	(731)	(696)	(35)	(5.0%)
Finance costs								
Interest expense	(272)	(279)	7	2.5%	(807)	(836)	29	3.5%
Interest on post-employment benefit obligations	(5)	(12)	7	58.3%	(15)	(35)	20	57.1%
Impairment of assets	-	(4)	4	100.0%	(167)	(460)	293	63.7%
Other income (expense)	35	(29)	64	n.m.	134	(156)	290	n.m.
Income taxes	(306)	(262)	(44)	(16.8%)	(795)	(601)	(194)	(32.3%)
Net earnings from continuing operations	813	734	79	10.8%	2,234	1,752	482	27.5%
Net earnings from discontinued operations	-	6	(6)	(100.0%)	-	15	(15)	(100.0%)
Net earnings	813	740	73	9.9%	2,234	1,767	467	26.4%
Net earnings from continuing operations attributable to:								
Common shareholders	757	686	71	10.3%	2,084	1,594	490	30.7%
Preferred shareholders	34	32	2	6.3%	98	104	(6)	(5.8%)
Non-controlling interest	22	16	6	37.5%	52	54	(2)	(3.7%)
Net earnings from continuing operations	813	734	79	10.8%	2,234	1,752	482	27.5%
Net earnings attributable to:								
Common shareholders	757	692	65	9.4%	2,084	1,609	475	29.5%
Preferred shareholders	34	32	2	6.3%	98	104	(6)	(5.8%)
Non-controlling interest	22	16	6	37.5%	52	54	(2)	(3.7%)
Net earnings	813	740	73	9.9%	2,234	1,767	467	26.4%
Net earnings per common share - basic and diluted								
Continuing operations	\$ 0.83	\$ 0.76	\$ 0.07	9.2%	\$ 2.30	\$ 1.76	\$ 0.54	30.7%
Discontinued operations	\$ -	\$ 0.01	\$ (0.01)	(100.0%)	\$ -	\$ 0.02	\$ (0.02)	(100.0%)
Net earnings per common share - basic and diluted	\$ 0.83	\$ 0.77	\$ 0.06	7.8%	\$ 2.30	\$ 1.78	\$ 0.52	29.2%
Dividends per common share	\$ 0.8750	\$ 0.8325	\$ 0.0425	5.1%	\$ 2.6250	\$ 2.4975	\$ 0.13	5.1%
Weighted average number of common shares outstanding - basic (millions)	906.9	904.3			905.5	904.3		
Weighted average number of common shares outstanding - diluted (millions)	907.6	904.4			905.7	904.4		
Number of common shares outstanding (millions)	908.8	904.3			908.8	904.3		
Adjusted net earnings and EPS								
Net earnings attributable to common shareholders	757	692	65	9.4%	2,084	1,609	475	29.5%
Severance, acquisition and other costs	36	19	17	89.5%	106	47	59	n.m.
Net mark-to-market (gains) losses on derivatives used to economically hedge equity settled share-based compensation plans	(45)	10	(55)	n.m.	(162)	37	(199)	n.m.
Net (gains) losses on investments	-	(22)	22	100.0%	14	(43)	57	n.m.
Early debt redemption costs	-	16	(16)	(100.0%)	39	28	11	39.3%
Impairment of assets	-	3	(3)	(100.0%)	122	336	(214)	(63.7%)
Net earnings from discontinued operations	-	(6)	6	100.0%	-	(15)	15	100.0%
Adjusted net earnings ⁽²⁾	748	712	36	5.1%	2,203	1,999	204	10.2%
Adjusted EPS ⁽²⁾	\$ 0.82	\$ 0.79	\$ 0.03	3.8%	\$ 2.43	\$ 2.21	\$ 0.22	10.0%

n.m. : not meaningful

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

Consolidated Operational Data - Historical Trend

<i>(In millions of Canadian dollars, except share amounts) (unaudited)</i>	YTD 2021	Q3 21	Q2 21	Q1 21	TOTAL 2020	Q4 20	Q3 20	Q2 20	Q1 20
Operating revenues									
Service	15,107	5,099	5,040	4,968	19,832	5,090	4,924	4,800	5,018
Product	2,133	737	658	738	3,051	1,012	863	554	622
Total operating revenues	17,240	5,836	5,698	5,706	22,883	6,102	5,787	5,354	5,640
Operating costs ^(A)	(9,575)	(3,213)	(3,159)	(3,203)	(13,007)	(3,633)	(3,268)	(2,959)	(3,147)
Post-employment benefit plans service cost	(202)	(65)	(63)	(74)	(269)	(65)	(65)	(64)	(75)
Adjusted EBITDA	7,463	2,558	2,476	2,429	9,607	2,404	2,454	2,331	2,418
Adjusted EBITDA margin	43.3%	43.8%	43.5%	42.6%	42.0%	39.4%	42.4%	43.5%	42.9%
Severance, acquisition and other costs	(146)	(50)	(7)	(89)	(116)	(52)	(26)	(22)	(16)
Depreciation	(2,702)	(902)	(905)	(895)	(3,475)	(872)	(876)	(869)	(858)
Amortization	(731)	(245)	(248)	(238)	(929)	(233)	(232)	(234)	(230)
Finance costs									
Interest expense	(807)	(272)	(268)	(267)	(1,110)	(274)	(279)	(280)	(277)
Interest on post-employment benefit obligations	(15)	(5)	(5)	(5)	(46)	(11)	(12)	(11)	(12)
Impairment of assets	(167)	-	(164)	(3)	(472)	(12)	(4)	(449)	(7)
Other income (expense)	134	35	91	8	(194)	(38)	(29)	(80)	(47)
Income taxes	(795)	(306)	(236)	(253)	(792)	(191)	(262)	(96)	(243)
Net earnings from continuing operations	2,234	813	734	687	2,473	721	734	290	728
Net earnings from discontinued operations	-	-	-	-	226	211	6	4	5
Net earnings	2,234	813	734	687	2,699	932	740	294	733
Net earnings from continuing operations attributable to:									
Common shareholders	2,084	757	685	642	2,272	678	686	233	675
Preferred shareholders	98	34	32	32	136	32	32	34	38
Non-controlling interest	52	22	17	13	65	11	16	23	15
Net earnings from continuing operations	2,234	813	734	687	2,473	721	734	290	728
Net earnings attributable to:									
Common shareholders	2,084	757	685	642	2,498	889	692	237	680
Preferred shareholders	98	34	32	32	136	32	32	34	38
Non-controlling interest	52	22	17	13	65	11	16	23	15
Net earnings	2,234	813	734	687	2,699	932	740	294	733
Net earnings per common share - basic and diluted									
Continuing operations	\$ 2.30	\$ 0.83	\$ 0.76	\$ 0.71	\$ 2.51	\$ 0.75	\$ 0.76	\$ 0.26	\$ 0.74
Discontinued operations	\$ -	\$ -	\$ -	\$ -	\$ 0.25	\$ 0.23	\$ 0.01	\$ -	\$ 0.01
Net earnings per common share - basic and diluted	\$ 2.30	\$ 0.83	\$ 0.76	\$ 0.71	\$ 2.76	\$ 0.98	\$ 0.77	\$ 0.26	\$ 0.75
Dividends per common share	\$ 2.6250	\$ 0.8750	\$ 0.8750	\$ 0.8750	\$ 3.3300	\$ 0.8325	\$ 0.8325	\$ 0.8325	\$ 0.8325
Weighted average number of common shares outstanding - basic (millions)	905.5	906.9	905.0	904.5	904.3	904.4	904.3	904.3	904.1
Weighted average number of common shares outstanding - diluted (millions)	905.7	907.6	905.3	904.5	904.4	904.4	904.4	904.4	904.5
Number of common shares outstanding (millions)	908.8	908.8	905.7	904.6	904.4	904.4	904.3	904.3	904.3
Adjusted net earnings and EPS									
Net earnings attributable to common shareholders	2,084	757	685	642	2,498	889	692	237	680
Severance, acquisition and other costs	106	36	5	65	85	38	19	16	12
Net mark-to-market (gains) losses on derivatives used to economically hedge equity settled share-based compensation plans	(162)	(45)	(73)	(44)	37	-	10	7	20
Net losses (gains) on investments	14	-	14	-	(46)	(3)	(22)	(11)	(10)
Early debt redemption costs	39	-	-	39	37	9	16	-	12
Impairment of assets	122	-	120	2	345	9	3	328	5
Net earnings from discontinued operations	-	-	-	-	(226)	(211)	(6)	(4)	(5)
Adjusted net earnings	2,203	748	751	704	2,730	731	712	573	714
Adjusted EPS	\$ 2.43	\$ 0.82	\$ 0.83	\$ 0.78	\$ 3.02	\$ 0.81	\$ 0.79	\$ 0.63	\$ 0.79

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

BCE ⁽¹⁾
Segmented Data

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q3 2021	Q3 2020	\$ change	% change	YTD 2021	YTD 2020	\$ change	% change
Operating revenues								
Bell Wireless	2,296	2,318	(22)	(0.9%)	6,524	6,275	249	4.0%
Bell Wireline	3,015	3,032	(17)	(0.6%)	9,099	9,111	(12)	(0.1%)
Bell Media	719	628	91	14.5%	2,187	1,959	228	11.6%
Inter-segment eliminations	(194)	(191)	(3)	(1.6%)	(570)	(564)	(6)	(1.1%)
Total	5,836	5,787	49	0.8%	17,240	16,781	459	2.7%
Operating costs								
Bell Wireless	(1,286)	(1,362)	76	5.6%	(3,622)	(3,512)	(110)	(3.1%)
Bell Wireline	(1,682)	(1,712)	30	1.8%	(5,110)	(5,177)	67	1.3%
Bell Media	(504)	(450)	(54)	(12.0%)	(1,615)	(1,453)	(162)	(11.1%)
Inter-segment eliminations	194	191	3	1.6%	570	564	6	1.1%
Total	(3,278)	(3,333)	55	1.7%	(9,777)	(9,578)	(199)	(2.1%)
Adjusted EBITDA								
Bell Wireless	1,010	956	54	5.6%	2,902	2,763	139	5.0%
Margin	44.0%	41.2%		2.8 pts	44.5%	44.0%		0.5 pts
Bell Wireline	1,333	1,320	13	1.0%	3,989	3,934	55	1.4%
Margin	44.2%	43.5%		0.7 pts	43.8%	43.2%		0.6 pts
Bell Media	215	178	37	20.8%	572	506	66	13.0%
Margin	29.9%	28.3%		1.6 pts	26.2%	25.8%		0.4 pts
Total	2,558	2,454	104	4.2%	7,463	7,203	260	3.6%
Margin	43.8%	42.4%		1.4 pts	43.3%	42.9%		0.4 pts
Capital expenditures								
Bell Wireless	254	212	(42)	(19.8%)	846	524	(322)	(61.5%)
Capital intensity ⁽³⁾	11.1%	9.1%		(2.0) pts	13.0%	8.4%		(4.6) pts
Bell Wireline	880	792	(88)	(11.1%)	2,464	2,108	(356)	(16.9%)
Capital intensity	29.2%	26.1%		(3.1) pts	27.1%	23.1%		(4.0) pts
Bell Media	25	27	2	7.4%	68	76	8	10.5%
Capital intensity	3.5%	4.3%		0.8 pts	3.1%	3.9%		0.8 pts
Total	1,159	1,031	(128)	(12.4%)	3,378	2,708	(670)	(24.7%)
Capital intensity	19.9%	17.8%		(2.1) pts	19.6%	16.1%		(3.5) pts

Segmented Data - Historical Trend

	YTD 2021	Q3 21	Q2 21	Q1 21	TOTAL 2020	Q4 20	Q3 20	Q2 20	Q1 20
<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>									
Operating revenues									
Bell Wireless	6,524	2,296	2,128	2,100	8,683	2,408	2,318	1,922	2,035
Bell Wireline	9,099	3,015	3,003	3,081	12,206	3,095	3,032	3,043	3,036
Bell Media	2,187	719	755	713	2,750	791	628	579	752
Inter-segment eliminations	(570)	(194)	(188)	(188)	(756)	(192)	(191)	(190)	(183)
Total	17,240	5,836	5,698	5,706	22,883	6,102	5,787	5,354	5,640
Operating costs									
Bell Wireless	(3,622)	(1,286)	(1,159)	(1,177)	(5,017)	(1,505)	(1,362)	(1,043)	(1,107)
Bell Wireline	(5,110)	(1,682)	(1,710)	(1,718)	(6,960)	(1,783)	(1,712)	(1,764)	(1,701)
Bell Media	(1,615)	(504)	(541)	(570)	(2,055)	(602)	(450)	(406)	(597)
Inter-segment eliminations	570	194	188	188	756	192	191	190	183
Total	(9,777)	(3,278)	(3,222)	(3,277)	(13,276)	(3,698)	(3,333)	(3,023)	(3,222)
Adjusted EBITDA									
Bell Wireless	2,902	1,010	969	923	3,666	903	956	879	928
Margin	44.5%	44.0%	45.5%	44.0%	42.2%	37.5%	41.2%	45.7%	45.6%
Bell Wireline	3,989	1,333	1,293	1,363	5,246	1,312	1,320	1,279	1,335
Margin	43.8%	44.2%	43.1%	44.2%	43.0%	42.4%	43.5%	42.0%	44.0%
Bell Media	572	215	214	143	695	189	178	173	155
Margin	26.2%	29.9%	28.3%	20.1%	25.3%	23.9%	28.3%	29.9%	20.6%
Total	7,463	2,558	2,476	2,429	9,607	2,404	2,454	2,331	2,418
Margin	43.3%	43.8%	43.5%	42.6%	42.0%	39.4%	42.4%	43.5%	42.9%
Capital expenditures									
Bell Wireless	846	254	306	286	916	392	212	182	130
Capital intensity	13.0%	11.1%	14.4%	13.6%	10.5%	16.3%	9.1%	9.5%	6.4%
Bell Wireline	2,464	880	877	707	3,161	1,053	792	694	622
Capital intensity	27.1%	29.2%	29.2%	22.9%	25.9%	34.0%	26.1%	22.8%	20.5%
Bell Media	68	25	24	19	125	49	27	24	25
Capital intensity	3.1%	3.5%	3.2%	2.7%	4.5%	6.2%	4.3%	4.1%	3.3%
Total	3,378	1,159	1,207	1,012	4,202	1,494	1,031	900	777
Capital intensity	19.6%	19.9%	21.2%	17.7%	18.4%	24.5%	17.8%	16.8%	13.8%

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q3 2021	Q3 2020	% change	YTD 2021	YTD 2020	% change
Bell Wireless						
Operating revenues						
External service revenues	1,642	1,563	5.1%	4,714	4,579	2.9%
Inter-segment service revenues	12	12	-	34	36	(5.6%)
Total operating service revenues	1,654	1,575	5.0%	4,748	4,615	2.9%
External product revenues	642	742	(13.5%)	1,772	1,657	6.9%
Inter-segment product revenues	-	1	(100.0%)	4	3	33.3%
Total operating product revenues	642	743	(13.6%)	1,776	1,660	7.0%
Total external revenues	2,284	2,305	(0.9%)	6,486	6,236	4.0%
Total operating revenues	2,296	2,318	(0.9%)	6,524	6,275	4.0%
Operating costs	(1,286)	(1,362)	5.6%	(3,622)	(3,512)	(3.1%)
Adjusted EBITDA	1,010	956	5.6%	2,902	2,763	5.0%
<i>Adjusted EBITDA margin (Total operating revenues)</i>	44.0%	41.2%	2.8 pts	44.5%	44.0%	0.5 pts
Capital expenditures	254	212	(19.8%)	846	524	(61.5%)
<i>Capital intensity</i>	11.1%	9.1%	(2.0) pts	13.0%	8.4%	(4.6) pts
Mobile phone subscribers ^{(3)(A)}						
Gross subscriber activations	470,165	457,161	2.8%	1,158,695	1,099,851	5.4%
Postpaid	336,328	308,558	9.0%	828,038	697,697	18.7%
Prepaid	133,837	148,603	(9.9%)	330,657	402,154	(17.8%)
Net subscriber activations (losses)	136,464	119,345	14.3%	185,116	128,959	43.5%
Postpaid	114,821	78,706	45.9%	192,179	79,305	n.m.
Prepaid	21,643	40,639	(46.7%)	(7,063)	49,654	n.m.
Subscribers end of period (EOP)	9,349,459	9,102,627	2.7%	9,349,459	9,102,627	2.7%
Postpaid	8,520,518	8,254,951	3.2%	8,520,518	8,254,951	3.2%
Prepaid	828,941	847,676	(2.2%)	828,941	847,676	(2.2%)
Blended average billing per user (ABPU) (\$/month) ⁽³⁾	74.07	73.25	1.1%	72.21	71.97	0.3%
Blended churn (%) (average per month) ⁽³⁾	1.21%	1.25%	0.04 pts	1.18%	1.21%	0.03 pts
Postpaid	0.93%	0.98%	0.05 pts	0.88%	0.88%	-
Prepaid	4.15%	3.98%	(0.17) pts	4.27%	4.54%	0.27 pts
Mobile connected device subscribers ^{(3)(A)}						
Net subscriber activations	33,035	41,225	(19.9%)	154,643	129,032	19.8%
Subscribers EOP	2,210,796	1,957,204	13.0%	2,210,796	1,957,204	13.0%

n.m. : not meaningful

^(A) Effective January 1, 2021, we changed our wireless operating metrics to reflect our revised approach to reporting wireless subscriber units. Consequently, we are now reporting in two categories, mobile phone subscriber units and mobile connected device subscriber units (e.g. tablets, wearables and mobile Internet devices). Additionally, mobile connected device subscribers now include previously undisclosed Internet of Things (IoT) units (e.g. connected telematics services, monitoring devices, connected cars and fleet management solutions). These changes are consistent with the way we manage our business, reflect our focus on mobile phone subscribers and align to industry peers. As a result, previously reported 2020 subscribers and associated operating metrics (gross and net activations (losses), ABPU and churn) have been restated for comparability.

Bell Wireless - Historical Trend

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	YTD 2021	Q3 21	Q2 21	Q1 21	TOTAL 2020	Q4 20	Q3 20	Q2 20	Q1 20
Bell Wireless									
Operating revenues									
External service revenues	4,714	1,642	1,569	1,503	6,122	1,543	1,563	1,481	1,535
Inter-segment service revenues	34	12	11	11	47	11	12	12	12
Total operating service revenues	4,748	1,654	1,580	1,514	6,169	1,554	1,575	1,493	1,547
External product revenues	1,772	642	546	584	2,508	851	742	428	487
Inter-segment product revenues	4	-	2	2	6	3	1	1	1
Total operating product revenues	1,776	642	548	586	2,514	854	743	429	488
Total external revenues	6,486	2,284	2,115	2,087	8,630	2,394	2,305	1,909	2,022
Total operating revenues	6,524	2,296	2,128	2,100	8,683	2,408	2,318	1,922	2,035
Operating costs	(3,622)	(1,286)	(1,159)	(1,177)	(5,017)	(1,505)	(1,362)	(1,043)	(1,107)
Adjusted EBITDA	2,902	1,010	969	923	3,666	903	956	879	928
<i>Adjusted EBITDA margin (Total operating revenues)</i>	44.5%	44.0%	45.5%	44.0%	42.2%	37.5%	41.2%	45.7%	45.6%
Capital expenditures	846	254	306	286	916	392	212	182	130
<i>Capital intensity</i>	13.0%	11.1%	14.4%	13.6%	10.5%	16.3%	9.1%	9.5%	6.4%
Mobile phone subscribers^(A)									
Gross subscriber activations	1,158,695	470,165	348,403	340,127	1,545,173	445,322	457,161	309,133	333,557
Postpaid	828,038	336,328	242,720	248,990	1,025,748	328,051	308,558	179,589	209,550
Prepaid	330,657	133,837	105,683	91,137	519,425	117,271	148,603	129,544	124,007
Net subscriber activations (losses)	185,116	136,464	46,247	2,405	190,675	61,716	119,345	12,110	(2,496)
Postpaid	192,179	114,821	44,433	32,925	152,693	73,388	78,706	(960)	1,559
Prepaid	(7,063)	21,643	1,814	(30,520)	37,982	(11,672)	40,639	13,070	(4,055)
Subscribers EOP	9,349,459	9,349,459	9,212,995	9,166,748	9,164,343	9,164,343	9,102,627	8,983,282	8,971,172
Postpaid	8,520,518	8,520,518	8,405,697	8,361,264	8,328,339	8,328,339	8,254,951	8,176,245	8,177,205
Prepaid	828,941	828,941	807,298	805,484	836,004	836,004	847,676	807,037	793,967
Blended ABPU (\$/month)	72.21	74.07	72.21	70.34	72.01	72.13	73.25	69.88	72.78
Blended churn (%) (average per month)	1.18%	1.21%	1.10%	1.23%	1.26%	1.40%	1.25%	1.11%	1.26%
Postpaid	0.88%	0.93%	0.83%	0.89%	0.92%	1.06%	0.98%	0.76%	0.89%
Prepaid	4.27%	4.15%	3.98%	4.68%	4.60%	4.79%	3.98%	4.63%	5.03%
Mobile connected device subscribers^(A)									
Net subscriber activations	154,643	33,035	47,449	74,159	227,981	98,949	41,225	38,843	48,964
Subscribers EOP	2,210,796	2,210,796	2,177,761	2,130,312	2,056,153	2,056,153	1,957,204	1,915,979	1,877,136

^(A) Effective January 1, 2021, we changed our wireless operating metrics to reflect our revised approach to reporting wireless subscriber units. Consequently, we are now reporting in two categories, mobile phone subscriber units and mobile connected device subscriber units (e.g. tablets, wearables and mobile Internet devices). Additionally, mobile connected device subscribers now include previously undisclosed IoT units (e.g. connected telematics services, monitoring devices, connected cars and fleet management solutions). These changes are consistent with the way we manage our business, reflect our focus on mobile phone subscribers and align to industry peers. As a result, previously reported 2020 subscribers and associated operating metrics (gross and net activations (losses), ABPU and churn) have been restated for comparability.

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q3 2021	Q3 2020	% change	YTD 2021	YTD 2020	% change
Bell Wireline						
Operating revenues						
Data	1,976	1,931	2.3%	5,885	5,738	2.6%
Voice	778	839	(7.3%)	2,375	2,574	(7.7%)
Other services	73	61	19.7%	214	181	18.2%
Total external service revenues	2,827	2,831	(0.1%)	8,474	8,493	(0.2%)
Inter-segment service revenues	93	80	16.3%	264	236	11.9%
Total operating service revenues	2,920	2,911	0.3%	8,738	8,729	0.1%
Data	86	110	(21.8%)	331	346	(4.3%)
Equipment and other	9	11	(18.2%)	30	36	(16.7%)
Total external product revenues	95	121	(21.5%)	361	382	(5.5%)
Inter-segment product revenues	-	-	-	-	-	-
Total operating product revenues	95	121	(21.5%)	361	382	(5.5%)
Total external revenues	2,922	2,952	(1.0%)	8,835	8,875	(0.5%)
Total operating revenues	3,015	3,032	(0.6%)	9,099	9,111	(0.1%)
Operating costs	(1,682)	(1,712)	1.8%	(5,110)	(5,177)	1.3%
Adjusted EBITDA	1,333	1,320	1.0%	3,989	3,934	1.4%
<i>Adjusted EBITDA margin</i>	44.2%	43.5%	0.7 pts	43.8%	43.2%	0.6 pts
Capital expenditures	880	792	(11.1%)	2,464	2,108	(16.9%)
<i>Capital intensity</i>	29.2%	26.1%	(3.1) pts	27.1%	23.1%	(4.0) pts
Retail high-speed Internet subscribers ⁽³⁾						
Retail net subscriber activations	65,779	62,859	4.6%	104,667	104,477	0.2%
Retail subscribers EOP ^(A)	3,814,035	3,660,078	4.2%	3,814,035	3,660,078	4.2%
Retail TV subscribers ⁽³⁾						
Retail net subscriber activations (losses)	10,521	(296)	n.m.	(3,519)	(34,395)	89.8%
Internet protocol television (IPTV)	31,641	18,837	68.0%	46,877	18,085	n.m.
Satellite	(21,120)	(19,133)	(10.4%)	(50,396)	(52,480)	4.0%
Total retail subscribers EOP ^(B)	2,728,961	2,738,069	(0.3%)	2,728,961	2,738,069	(0.3%)
IPTV	1,853,250	1,785,267	3.8%	1,853,250	1,785,267	3.8%
Satellite ^(B)	875,711	952,802	(8.1%)	875,711	952,802	(8.1%)
Retail residential network access services (NAS) ⁽³⁾						
Retail residential NAS lines net losses	(42,755)	(49,792)	14.1%	(145,116)	(159,792)	9.2%
Retail residential NAS lines	2,338,816	2,537,691	(7.8%)	2,338,816	2,537,691	(7.8%)

n.m. : not meaningful

^(A) At the beginning of Q1 2021, our retail high-speed Internet subscriber base was increased by 4,778 subscribers due to the transfer of fixed wireless Internet subscribers from our mobile connected devices subscriber base.

^(B) At the beginning of Q1 2021, we adjusted our satellite TV subscriber base to remove 6,125 non-revenue generating units.

Bell Wireline - Historical Trend

	YTD				TOTAL				
(In millions of Canadian dollars, except where otherwise indicated) (unaudited)	2021	Q3 21	Q2 21	Q1 21	2020	Q4 20	Q3 20	Q2 20	Q1 20
Bell Wireline									
Operating revenues									
Data	5,885	1,976	1,944	1,965	7,691	1,953	1,931	1,916	1,891
Voice	2,375	778	794	803	3,402	828	839	863	872
Other services	214	73	67	74	248	67	61	58	62
Total external service revenues	8,474	2,827	2,805	2,842	11,341	2,848	2,831	2,837	2,825
Inter-segment service revenues	264	93	86	85	321	85	80	80	76
Total operating service revenues	8,738	2,920	2,891	2,927	11,662	2,933	2,911	2,917	2,901
Data	331	86	101	144	494	148	110	113	123
Equipment and other	30	9	11	10	49	13	11	13	12
Total external product revenues	361	95	112	154	543	161	121	126	135
Inter-segment product revenues	-	-	-	-	1	1	-	-	-
Total operating product revenues	361	95	112	154	544	162	121	126	135
Total external revenues	8,835	2,922	2,917	2,996	11,884	3,009	2,952	2,963	2,960
Total operating revenues	9,099	3,015	3,003	3,081	12,206	3,095	3,032	3,043	3,036
Operating costs	(5,110)	(1,682)	(1,710)	(1,718)	(6,960)	(1,783)	(1,712)	(1,764)	(1,701)
Adjusted EBITDA	3,989	1,333	1,293	1,363	5,246	1,312	1,320	1,279	1,335
<i>Adjusted EBITDA margin</i>	<i>43.8%</i>	<i>44.2%</i>	43.1%	44.2%	43.0%	42.4%	43.5%	42.0%	44.0%
Capital expenditures	2,464	880	877	707	3,161	1,053	792	694	622
<i>Capital intensity</i>	<i>27.1%</i>	<i>29.2%</i>	29.2%	22.9%	25.9%	34.0%	26.1%	22.8%	20.5%
Retail high-speed Internet subscribers									
Retail net subscriber activations	104,667	65,779	17,680	21,208	148,989	44,512	62,859	19,023	22,595
Retail subscribers EOP ^(A)	3,814,035	3,814,035	3,748,256	3,730,576	3,704,590	3,704,590	3,660,078	3,597,219	3,578,196
Retail TV subscribers									
Retail net subscriber (losses) activations	(3,519)	10,521	(4,928)	(9,112)	(33,859)	536	(296)	(15,544)	(18,555)
IPTV	46,877	31,641	4,540	10,696	39,191	21,106	18,837	(3,604)	2,852
Satellite	(50,396)	(21,120)	(9,468)	(19,808)	(73,050)	(20,570)	(19,133)	(11,940)	(21,407)
Total retail subscribers EOP ^(B)	2,728,961	2,728,961	2,718,440	2,723,368	2,738,605	2,738,605	2,738,069	2,738,365	2,753,909
IPTV	1,853,250	1,853,250	1,821,609	1,817,069	1,806,373	1,806,373	1,785,267	1,766,430	1,770,034
Satellite ^(B)	875,711	875,711	896,831	906,299	932,232	932,232	952,802	971,935	983,875
Retail residential NAS									
Retail residential NAS lines net losses	(145,116)	(42,755)	(51,292)	(51,069)	(213,551)	(53,759)	(49,792)	(48,405)	(61,595)
Retail residential NAS lines	2,338,816	2,338,816	2,381,571	2,432,863	2,483,932	2,483,932	2,537,691	2,587,483	2,635,888

^(A) At the beginning of Q1 2021, our retail high-speed Internet subscriber base was increased by 4,778 subscribers due to the transfer of fixed wireless Internet subscribers from our mobile connected devices subscriber base.

^(B) At the beginning of Q1 2021, we adjusted our satellite TV subscriber base to remove 6,125 non-revenue generating units.

Net debt and other information

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

	September 30 2021	June 30 2021	March 31 2021	December 31 2020
Debt due within one year	1,994	2,304	3,786	2,417
Long-term debt	27,070	25,422	24,965	23,906
50% of preferred shares	2,002	2,002	2,002	2,002
Cash and cash equivalents	(2,167)	(1,752)	(2,607)	(224)
Net debt ⁽²⁾	28,899	27,976	28,146	28,101
Net debt leverage ratio ⁽²⁾	2.93	2.87	2.93	2.93
Adjusted EBITDA/net interest expense ratio ⁽²⁾	8.75	8.62	8.40	8.32

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

	Q3 2021	Q3 2020	\$ change	% change	YTD 2021	YTD 2020	\$ change	% change
Free cash flow (FCF) ⁽²⁾								
Cash flows from operating activities	1,774	2,110	(336)	(15.9%)	6,265	6,123	142	2.3%
Capital expenditures	(1,159)	(1,031)	(128)	(12.4%)	(3,378)	(2,708)	(670)	(24.7%)
Cash dividends paid on preferred shares	(31)	(32)	1	3.1%	(93)	(101)	8	7.9%
Cash dividends paid by subsidiaries to non-controlling interest	(13)	(11)	(2)	(18.2%)	(41)	(37)	(4)	(10.8%)
Acquisition and other costs paid	-	13	(13)	(100.0%)	6	33	(27)	(81.8%)
Cash from discontinued operations (included in cash flows from operating activities)	-	(15)	15	100.0%	-	(54)	54	100.0%
FCF	571	1,034	(463)	(44.8%)	2,759	3,256	(497)	(15.3%)

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

	YTD 2021	Q3 2021	Q2 2021	Q1 2021	TOTAL 2020	Q4 2020	Q3 2020	Q2 2020	Q1 2020
FCF									
Cash flows from operating activities	6,265	1,774	2,499	1,992	7,754	1,631	2,110	2,562	1,451
Capital expenditures	(3,378)	(1,159)	(1,207)	(1,012)	(4,202)	(1,494)	(1,031)	(900)	(777)
Cash dividends paid on preferred shares	(93)	(31)	(31)	(31)	(132)	(31)	(32)	(33)	(36)
Cash dividends paid by subsidiaries to non-controlling interest	(41)	(13)	(15)	(13)	(53)	(16)	(11)	(12)	(14)
Acquisition and other costs paid	6	-	2	4	35	2	13	11	9
Cash from discontinued operations (included in cash flows from operating activities)	-	-	-	-	(54)	-	(15)	(17)	(22)
FCF	2,759	571	1,248	940	3,348	92	1,034	1,611	611

Consolidated Statements of Financial Position

	September 30 2021	June 30 2021	March 31 2021	December 31 2020
<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>				
ASSETS				
Current assets				
Cash	2,086	1,752	1,907	224
Cash equivalents	81	-	700	-
Trade and other receivables	3,498	3,244	3,247	3,528
Inventory	418	418	459	439
Contract assets	410	467	563	687
Contract costs	464	441	424	402
Prepaid expenses	292	346	345	209
Other current assets	292	278	244	199
Total current assets	7,541	6,946	7,889	5,688
Non-current assets				
Contract assets	235	230	236	256
Contract costs	373	364	344	362
Property, plant and equipment	27,825	27,554	27,370	27,513
Intangible assets	13,367	13,263	13,227	13,102
Deferred tax assets	124	118	107	106
Investments in associates and joint ventures	697	725	745	756
Post-employment benefit assets	3,785	3,185	2,601	1,277
Other non-current assets	1,811	1,167	1,124	1,001
Goodwill	10,578	10,579	10,606	10,604
Total non-current assets	58,795	57,185	56,360	54,977
Total assets	66,336	64,131	64,249	60,665
LIABILITIES				
Current liabilities				
Trade payables and other liabilities	4,131	3,904	3,723	3,935
Contract liabilities	748	767	762	717
Interest payable	159	228	181	222
Dividends payable	810	806	804	766
Current tax liabilities	162	344	271	214
Debt due within one year	1,994	2,304	3,786	2,417
Total current liabilities	8,004	8,353	9,527	8,271
Non-current liabilities				
Contract liabilities	245	242	242	242
Long-term debt	27,070	25,422	24,965	23,906
Deferred tax liabilities	4,824	4,530	4,285	3,810
Post-employment benefit obligations	1,672	1,734	1,723	1,962
Other non-current liabilities	1,012	1,081	1,141	1,145
Total non-current liabilities	34,823	33,009	32,356	31,065
Total liabilities	42,827	41,362	41,883	39,336
EQUITY				
Equity attributable to BCE shareholders				
Preferred shares	4,003	4,003	4,003	4,003
Common shares	20,646	20,467	20,400	20,390
Contributed surplus	1,151	1,156	1,154	1,174
Accumulated other comprehensive income	320	204	163	103
Deficit	(2,962)	(3,401)	(3,693)	(4,681)
Total equity attributable to BCE shareholders	23,158	22,429	22,027	20,989
Non-controlling interest	351	340	339	340
Total equity	23,509	22,769	22,366	21,329
Total liabilities and equity	66,336	64,131	64,249	60,665
Number of common shares outstanding (millions)	908.8	905.7	904.6	904.4

BCE
Consolidated Cash Flow Data

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q3 2021	Q3 2020	\$ change	YTD 2021	YTD 2020	\$ change
Net earnings from continuing operations	813	734	79	2,234	1,752	482
Adjustments to reconcile net earnings from continuing operations to cash flows from operating activities						
Severance, acquisition and other costs	50	26	24	146	64	82
Depreciation and amortization	1,147	1,108	39	3,433	3,299	134
Post-employment benefit plans cost	70	77	(7)	217	239	(22)
Net interest expense	268	273	(5)	794	818	(24)
Impairment of assets	-	4	(4)	167	460	(293)
Income taxes	306	262	44	795	601	194
Contributions to post-employment benefit plans	(64)	(69)	5	(213)	(219)	6
Payments under other post-employment benefit plans	(16)	(15)	(1)	(47)	(44)	(3)
Severance and other costs paid	(31)	(11)	(20)	(153)	(59)	(94)
Interest paid	(352)	(321)	(31)	(888)	(877)	(11)
Income taxes paid (net of refunds)	(407)	(236)	(171)	(611)	(463)	(148)
Acquisition and other costs paid	-	(13)	13	(6)	(33)	27
Change in contract assets	53	178	(125)	299	572	(273)
Change in wireless device financing plan receivables	(92)	(322)	230	(244)	(548)	304
Net change in operating assets and liabilities	29	420	(391)	342	507	(165)
Cash from discontinued operations	-	15	(15)	-	54	(54)
Cash flows from operating activities	1,774	2,110	(336)	6,265	6,123	142
Capital expenditures	(1,159)	(1,031)	(128)	(3,378)	(2,708)	(670)
Cash dividends paid on preferred shares	(31)	(32)	1	(93)	(101)	8
Cash dividends paid by subsidiaries to non-controlling interest	(13)	(11)	(2)	(41)	(37)	(4)
Acquisition and other costs paid	-	13	(13)	6	33	(27)
Cash from discontinued operations (included in cash flows from operating activities)	-	(15)	15	-	(54)	54
Free cash flow	571	1,034	(463)	2,759	3,256	(497)
Cash from discontinued operations (included in cash flows from operating activities)	-	15	(15)	-	54	(54)
Business acquisitions	(1)	-	(1)	(12)	(23)	11
Acquisition and other costs paid	-	(13)	13	(6)	(33)	27
Acquisition of spectrum licences	(3)	(85)	82	(3)	(86)	83
Spectrum payment	(415)	-	(415)	(415)	-	(415)
Other investing activities	(11)	(49)	38	(49)	(67)	18
Cash used in discontinued operations (included in cash flows from investing activities)	-	(6)	6	-	(21)	21
Decrease (increase) in notes payable and bank advances	(322)	317	(639)	(368)	(1,117)	749
Decrease in securitized trade receivables	(7)	(23)	16	(20)	(23)	3
Issue of long-term debt	1,570	750	820	4,985	6,006	(1,021)
Repayment of long-term debt	(249)	(979)	730	(2,516)	(3,909)	1,393
Issue of common shares	172	-	172	245	22	223
Purchase of shares for settlement of share-based payments	(83)	(40)	(43)	(245)	(209)	(36)
Cash dividends paid on common shares	(793)	(753)	(40)	(2,337)	(2,222)	(115)
Other financing activities	(14)	(32)	18	(75)	(87)	12
Cash used in discontinued operations (included in cash flows from financing activities)	-	(4)	4	-	(7)	7
	(156)	(902)	746	(816)	(1,722)	906
Net increase in cash and cash equivalents	415	132	283	1,943	1,534	409
Cash and cash equivalents at beginning of period	1,752	1,547	205	224	145	79
Cash and cash equivalents at end of period	2,167	1,679	488	2,167	1,679	488

Consolidated Cash Flow Data - Historical Trend

	YTD 2021	Q3 21	Q2 21	Q1 21	TOTAL 2020	Q4 20	Q3 20	Q2 20	Q1 20
<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>									
Net earnings from continuing operations	2,234	813	734	687	2,473	721	734	290	728
Adjustments to reconcile net earnings from continuing operations to cash flows from operating activities									
Severance, acquisition and other costs	146	50	7	89	116	52	26	22	16
Depreciation and amortization	3,433	1,147	1,153	1,133	4,404	1,105	1,108	1,103	1,088
Post-employment benefit plans cost	217	70	68	79	315	76	77	75	87
Net interest expense	794	268	263	263	1,087	269	273	275	270
Impairment of assets	167	-	164	3	472	12	4	449	7
Gains on investments	-	-	-	-	(3)	(3)	-	-	-
Income taxes	795	306	236	253	792	191	262	96	243
Contributions to post-employment benefit plans	(213)	(64)	(70)	(79)	(297)	(78)	(69)	(71)	(79)
Payments under other post-employment benefit plans	(47)	(16)	(16)	(15)	(61)	(17)	(15)	(12)	(17)
Severance and other costs paid	(153)	(31)	(79)	(43)	(78)	(19)	(11)	(13)	(35)
Interest paid	(888)	(352)	(230)	(306)	(1,112)	(235)	(321)	(240)	(316)
Income taxes paid (net of refunds)	(611)	(407)	(95)	(109)	(846)	(383)	(236)	6	(233)
Acquisition and other costs paid	(6)	-	(2)	(4)	(35)	(2)	(13)	(11)	(9)
Change in contract assets	299	53	102	144	704	132	178	239	155
Change in wireless device financing plan receivables	(244)	(92)	(61)	(91)	(867)	(319)	(322)	(150)	(76)
Net change in operating assets and liabilities	342	29	325	(12)	636	129	420	487	(400)
Cash from discontinued operations	-	-	-	-	54	-	15	17	22
Cash flows from operating activities	6,265	1,774	2,499	1,992	7,754	1,631	2,110	2,562	1,451
Capital expenditures	(3,378)	(1,159)	(1,207)	(1,012)	(4,202)	(1,494)	(1,031)	(900)	(777)
Cash dividends paid on preferred shares	(93)	(31)	(31)	(31)	(132)	(31)	(32)	(33)	(36)
Cash dividends paid by subsidiaries to non-controlling interest	(41)	(13)	(15)	(13)	(53)	(16)	(11)	(12)	(14)
Acquisition and other costs paid	6	-	2	4	35	2	13	11	9
Cash from discontinued operations (included in cash flows from operating activities)	-	-	-	-	(54)	-	(15)	(17)	(22)
Free cash flow	2,759	571	1,248	940	3,348	92	1,034	1,611	611
Cash from discontinued operations (included in cash flows from operating activities)	-	-	-	-	54	-	15	17	22
Business acquisitions	(12)	(1)	(11)	-	(65)	(42)	-	(23)	-
Acquisition and other costs paid	(6)	-	(2)	(4)	(35)	(2)	(13)	(11)	(9)
Acquisition of spectrum licences	(3)	(3)	-	-	(86)	-	(85)	-	(1)
Spectrum payment	(415)	(415)	-	-	-	-	-	-	-
Other investing activities	(49)	(11)	(17)	(21)	(79)	(12)	(49)	(13)	(5)
Cash from (used in) discontinued operations (included in cash flows from investing activities)	-	-	-	-	892	913	(6)	(8)	(7)
(Decrease) increase in notes payable and bank advances	(368)	(322)	311	(357)	(1,641)	(524)	317	(1,204)	(230)
(Decrease) increase in securitized trade receivables	(20)	(7)	-	(13)	-	23	(23)	(400)	400
Issue of long-term debt	4,985	1,570	500	2,915	6,006	-	750	1,975	3,281
Repayment of long-term debt	(2,516)	(249)	(2,041)	(226)	(5,003)	(1,094)	(979)	(2,221)	(709)
Issue of common shares	245	172	63	10	26	4	-	-	22
Purchase of shares for settlement of share-based payments	(245)	(83)	(71)	(91)	(263)	(54)	(40)	(75)	(94)
Cash dividends paid on common shares	(2,337)	(793)	(791)	(753)	(2,975)	(753)	(753)	(753)	(716)
Other financing activities	(75)	(14)	(44)	(17)	(93)	(6)	(32)	(25)	(30)
Cash used in discontinued operations (included in cash flows from financing activities)	-	-	-	-	(7)	-	(4)	(2)	(1)
	(816)	(156)	(2,103)	1,443	(3,269)	(1,547)	(902)	(2,743)	1,923
Net increase (decrease) in cash and cash equivalents	1,943	415	(855)	2,383	79	(1,455)	132	(1,132)	2,534
Cash and cash equivalents at beginning of period	224	1,752	2,607	224	145	1,679	1,547	2,679	145
Cash and cash equivalents at end of period	2,167	2,167	1,752	2,607	224	224	1,679	1,547	2,679

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) 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 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, impairment of assets and discontinued operations, 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, impairment of assets and discontinued operations, 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 cash from discontinued operations, 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 cash from discontinued operations, 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.

(3) 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.

Capital intensity is capital expenditures divided by operating revenues.

Mobile phone 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. Mobile phone blended ABPU is calculated by dividing customer billings by the average mobile phone subscriber base for the specified period and is expressed as a dollar unit per month.

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

Mobile phone subscriber unit is comprised of a recurring revenue generating portable unit (e.g. smartphones and feature phones) on an active service plan, that has access to our wireless networks and includes voice, text and/or data connectivity. We report mobile phone subscriber units in two categories: postpaid and prepaid. Prepaid mobile phone subscriber units are considered active for a period of 90 days following the expiry of the subscriber's prepaid balance.

Mobile connected device subscriber unit is comprised of a recurring revenue generating portable unit (e.g. tablets, wearables, mobile Internet devices and Internet of Things) on an active service plan, that has access to our wireless networks and is intended for limited or no cellular voice capability.

Wireline subscriber unit consists of an active revenue-generating unit with access to our services, including retail Internet, satellite TV, IPTV, and/or residential 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 residential NAS subscribers are based on a line count and are represented by a unique telephone number