



Q1

Supplementary Financial Information

First Quarter 2023

BCE Investor Relations

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BCE

Consolidated Operational Data

<i>(In millions of Canadian dollars, except share amounts) (unaudited)</i>	Q1 2023	Q1 2022	\$ change	% change
Operating revenues				
Service	5,222	5,177	45	0.9%
Product	832	673	159	23.6%
Total operating revenues	6,054	5,850	204	3.5%
Operating costs	(3,516)	(3,266)	(250)	(7.7%)
Adjusted EBITDA ^(A)	2,538	2,584	(46)	(1.8%)
Adjusted EBITDA margin ^{(B)(3)}	41.9%	44.2%		(2.3) pts
Severance, acquisition and other costs	(49)	(13)	(36)	n.m.
Depreciation	(918)	(891)	(27)	(3.0%)
Amortization	(283)	(260)	(23)	(8.8%)
Finance costs				
Interest expense	(344)	(260)	(84)	(32.3%)
Net return on post-employment benefit plans	27	18	9	50.0%
Impairment of assets	(34)	(2)	(32)	n.m.
Other income	121	93	28	30.1%
Income taxes	(270)	(335)	65	19.4%
Net earnings	788	934	(146)	(15.6%)
Net earnings attributable to:				
Common shareholders	725	877	(152)	(17.3%)
Preferred shareholders	46	34	12	35.3%
Non-controlling interest	17	23	(6)	(26.1%)
Net earnings	788	934	(146)	(15.6%)
Net earnings per common share - basic and diluted	\$ 0.79	\$ 0.96	\$ (0.17)	(17.7%)
Dividends per common share	\$ 0.9675	\$ 0.9200	\$ 0.0475	5.2%
Weighted average number of common shares outstanding - basic (millions)	912.1	910.1		
Weighted average number of common shares outstanding - diluted (millions)	912.3	910.8		
Number of common shares outstanding (millions)	912.2	911.8		
Adjusted net earnings and adjusted EPS				
Net earnings attributable to common shareholders	725	877	(152)	(17.3%)
Reconciling items:				
Severance, acquisition and other costs	49	13	36	n.m.
Net mark-to-market gains on derivatives used to economically hedge equity settled share-based compensation plans	(18)	(75)	57	76.0%
Net gains on investments	-	(37)	37	100.0%
Early debt redemption costs	-	18	(18)	(100.0%)
Impairment of assets	34	2	32	n.m.
Income taxes for the above reconciling items	(18)	13	(31)	n.m.
Adjusted net earnings ^(A)	772	811	(39)	(4.8%)
Adjusted EPS ^(A)	\$ 0.85	\$ 0.89	\$ (0.04)	(4.5%)

n.m. : not meaningful

^(A) Adjusted EBITDA is a total of segments measure, adjusted net earnings is a non-GAAP financial measure and adjusted EPS is a non-GAAP ratio. Refer to note 2.3, *Total of segments measures*, note 2.1, *Non-financial measures* and note 2.2, *Non-GAAP ratios* in the Accompanying Notes to this report for more information on these measures.

^(B) Adjusted EBITDA margin is defined as adjusted EBITDA divided by operating revenues.

Consolidated Operational Data - Historical Trend

	Q1 23	TOTAL 2022	Q4 22	Q3 22	Q2 22	Q1 22
<i>(In millions of Canadian dollars, except share amounts) (unaudited)</i>						
Operating revenues						
Service	5,222	20,956	5,353	5,193	5,233	5,177
Product	832	3,218	1,086	831	628	673
Total operating revenues	6,054	24,174	6,439	6,024	5,861	5,850
Operating costs	(3,516)	(13,975)	(4,002)	(3,436)	(3,271)	(3,266)
Adjusted EBITDA	2,538	10,199	2,437	2,588	2,590	2,584
Adjusted EBITDA margin	41.9%	42.2%	37.8%	43.0%	44.2%	44.2%
Severance, acquisition and other costs	(49)	(94)	(19)	(22)	(40)	(13)
Depreciation	(918)	(3,660)	(922)	(914)	(933)	(891)
Amortization	(283)	(1,063)	(270)	(267)	(266)	(260)
Finance costs						
Interest expense	(344)	(1,146)	(319)	(298)	(269)	(260)
Net return on post-employment benefit plans	27	51	13	13	7	18
Impairment of assets	(34)	(279)	(150)	(21)	(106)	(2)
Other income (expense)	121	(115)	19	(130)	(97)	93
Income taxes	(270)	(967)	(222)	(178)	(232)	(335)
Net earnings	788	2,926	567	771	654	934
Net earnings attributable to:						
Common shareholders	725	2,716	528	715	596	877
Preferred shareholders	46	152	44	39	35	34
Non-controlling interest	17	58	(5)	17	23	23
Net earnings	788	2,926	567	771	654	934
Net earnings per common share - basic and diluted	\$ 0.79	\$ 2.98	\$ 0.58	\$ 0.78	\$ 0.66	\$ 0.96
Dividends per common share	\$ 0.9675	\$ 3.6800	\$ 0.9200	\$ 0.9200	\$ 0.9200	\$ 0.9200
Weighted average number of common shares outstanding - basic (millions)	912.1	911.5	912.0	911.9	911.9	910.1
Weighted average number of common shares outstanding - diluted (millions)	912.3	912.0	912.2	912.3	912.8	910.8
Number of common shares outstanding (millions)	912.2	912.0	912.0	911.9	911.9	911.8
Adjusted net earnings and adjusted EPS						
Net earnings attributable to common shareholders	725	2,716	528	715	596	877
Reconciling items:						
Severance, acquisition and other costs	49	94	19	22	40	13
Net mark-to-market (gains) losses on derivatives used to economically hedge equity settled share-based compensation plans	(18)	53	(27)	74	81	(75)
Net equity losses on investments in associates and joint ventures	-	42	-	-	42	-
Net (gains) losses on investments	-	(24)	29	-	(16)	(37)
Early debt redemption costs	-	18	-	-	-	18
Impairment of assets	34	279	150	21	106	2
Income taxes for the above reconciling items	(18)	(117)	(37)	(31)	(62)	13
NCI for the above reconciling items	-	(4)	(8)	-	4	-
Adjusted net earnings	772	3,057	654	801	791	811
Adjusted EPS	\$ 0.85	\$ 3.35	\$ 0.71	\$ 0.88	\$ 0.87	\$ 0.89

BCE ⁽¹⁾
Segmented Data

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q1 2023	Q1 2022	\$ change	% change
Operating revenues				
Bell Communication and Technology Services (Bell CTS)	5,367	5,116	251	4.9%
Bell Media	780	825	(45)	(5.5%)
Inter-segment eliminations	(93)	(91)	(2)	(2.2%)
Total	6,054	5,850	204	3.5%
Operating costs				
Bell CTS	(2,961)	(2,740)	(221)	(8.1%)
Bell Media	(648)	(617)	(31)	(5.0%)
Inter-segment eliminations	93	91	2	2.2%
Total	(3,516)	(3,266)	(250)	(7.7%)
Adjusted EBITDA				
Bell CTS	2,406	2,376	30	1.3%
<i>Margin</i>	44.8%	46.4%		(1.6) pts
Bell Media	132	208	(76)	(36.5%)
<i>Margin</i>	16.9%	25.2%		(8.3) pts
Total	2,538	2,584	(46)	(1.8%)
<i>Margin</i>	41.9%	44.2%		(2.3) pts
Capital expenditures				
Bell CTS	1,052	936	(116)	(12.4%)
<i>Capital intensity ^{(A)(3)}</i>	19.6%	18.3%		(1.3) pts
Bell Media	34	23	(11)	(47.8%)
<i>Capital intensity</i>	4.4%	2.8%		(1.6) pts
Total	1,086	959	(127)	(13.2%)
<i>Capital intensity</i>	17.9%	16.4%		(1.5) pts

^(A) Capital intensity is defined as capital expenditures divided by operating revenues.

Segmented Data - Historical Trend

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q1 23	TOTAL 2022	Q4 22	Q3 22	Q2 22	Q1 22
Operating revenues						
Bell CTS	5,367	21,301	5,649	5,401	5,135	5,116
Bell Media	780	3,254	889	719	821	825
Inter-segment eliminations	(93)	(381)	(99)	(96)	(95)	(91)
Total	6,054	24,174	6,439	6,024	5,861	5,850
Operating costs						
Bell CTS	(2,961)	(11,847)	(3,341)	(2,995)	(2,771)	(2,740)
Bell Media	(648)	(2,509)	(760)	(537)	(595)	(617)
Inter-segment eliminations	93	381	99	96	95	91
Total	(3,516)	(13,975)	(4,002)	(3,436)	(3,271)	(3,266)
Adjusted EBITDA						
Bell CTS	2,406	9,454	2,308	2,406	2,364	2,376
<i>Margin</i>	44.8%	44.4%	40.9%	44.5%	46.0%	46.4%
Bell Media	132	745	129	182	226	208
<i>Margin</i>	16.9%	22.9%	14.5%	25.3%	27.5%	25.2%
Total	2,538	10,199	2,437	2,588	2,590	2,584
<i>Margin</i>	41.9%	42.2%	37.8%	43.0%	44.2%	44.2%
Capital expenditures						
Bell CTS	1,052	4,971	1,559	1,286	1,190	936
<i>Capital intensity</i>	19.6%	23.3%	27.6%	23.8%	23.2%	18.3%
Bell Media	34	162	79	31	29	23
<i>Capital intensity</i>	4.4%	5.0%	8.9%	4.3%	3.5%	2.8%
Total	1,086	5,133	1,638	1,317	1,219	959
<i>Capital intensity</i>	17.9%	21.2%	25.4%	21.9%	20.8%	16.4%

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q1 2023	Q1 2022	% change
Bell CTS			
Operating revenues			
Wireless	1,723	1,635	5.4%
Wireline data	2,001	1,953	2.5%
Wireline voice	726	771	(5.8%)
Other wireline services	78	77	1.3%
External service revenues	4,528	4,436	2.1%
Inter-segment service revenues	7	7	-
Operating service revenues	4,535	4,443	2.1%
Wireless	626	563	11.2%
Wireline	206	110	87.3%
External/Operating product revenues	832	673	23.6%
Total external revenues	5,360	5,109	4.9%
Total operating revenues	5,367	5,116	4.9%
Operating costs	(2,961)	(2,740)	(8.1%)
Adjusted EBITDA	2,406	2,376	1.3%
<i>Adjusted EBITDA margin</i>	44.8%	46.4%	(1.6) pts
Capital expenditures	1,052	936	(12.4%)
<i>Capital intensity</i>	19.6%	18.3%	(1.3) pts

Bell CTS - Historical Trend ⁽¹⁾

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q1 23	TOTAL 2022	Q4 22	Q3 22	Q2 22	Q1 22
Bell CTS						
Operating revenues						
Wireless	1,723	6,821	1,735	1,759	1,692	1,635
Wireline data	2,001	7,920	2,006	1,987	1,974	1,953
Wireline voice	726	3,002	736	739	756	771
Other wireline services	78	309	77	77	78	77
External service revenues	4,528	18,052	4,554	4,562	4,500	4,436
Inter-segment service revenues	7	31	9	8	7	7
Operating service revenues	4,535	18,083	4,563	4,570	4,507	4,443
Wireless	626	2,714	917	692	542	563
Wireline	206	504	169	139	86	110
External/Operating product revenues	832	3,218	1,086	831	628	673
Total external revenues	5,360	21,270	5,640	5,393	5,128	5,109
Total operating revenues	5,367	21,301	5,649	5,401	5,135	5,116
Operating costs	(2,961)	(11,847)	(3,341)	(2,995)	(2,771)	(2,740)
Adjusted EBITDA	2,406	9,454	2,308	2,406	2,364	2,376
<i>Adjusted EBITDA margin</i>	44.8%	44.4%	40.9%	44.5%	46.0%	46.4%
Capital expenditures	1,052	4,971	1,559	1,286	1,190	936
<i>Capital intensity</i>	19.6%	23.3%	27.6%	23.8%	23.2%	18.3%

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q1 2023	Q1 2022	% change
Mobile phone subscribers⁽³⁾			
Gross subscriber activations	405,535	349,908	15.9%
Postpaid	272,609	230,713	18.2%
Prepaid	132,926	119,195	11.5%
Net subscriber activations (losses)	26,635	32,176	(17.2%)
Postpaid	43,289	34,230	26.5%
Prepaid	(16,654)	(2,054)	n.m.
Subscribers end of period (EOP) ^(C)	9,902,492	9,491,361	4.3%
Postpaid ^(C)	9,039,947	8,664,275	4.3%
Prepaid	862,545	827,086	4.3%
Blended average revenue per user (ARPU) (\$/month) ^{(A)(3)}	58.15	57.61	0.9%
Blended churn (%) (average per month) ⁽³⁾	1.29%	1.12%	(0.17) pts
Postpaid	0.90%	0.79%	(0.11) pts
Prepaid	5.28%	4.61%	(0.67) pts
Mobile connected device subscribers⁽³⁾			
Net subscriber activations	70,742	48,877	44.7%
Subscribers EOP ^(C)	2,509,983	2,298,671	9.2%
Retail high-speed Internet subscribers⁽³⁾			
Retail net subscriber activations	27,274	26,024	4.8%
Retail subscribers EOP ^{(B)(D)}	4,278,497	3,954,767	8.2%
Retail TV subscribers⁽³⁾			
Retail net subscriber losses	(13,949)	(8,361)	(66.8%)
Internet protocol television (IPTV)	10,899	12,260	(11.1%)
Satellite	(24,848)	(20,621)	(20.5%)
Total retail subscribers EOP ^(B)	2,737,549	2,735,674	0.1%
IPTV ^(B)	1,999,080	1,903,726	5.0%
Satellite	738,469	831,948	(11.2%)
Retail residential network access services (NAS)⁽³⁾			
Retail residential NAS lines net losses	(46,881)	(42,345)	(10.7%)
Retail residential NAS lines ^(B)	2,143,890	2,259,716	(5.1%)

n.m. : not meaningful

(A) Effective Q1 2023, as a result of the segment reporting changes impacting intersegment eliminations, ARPU has been updated and is defined as Bell CTS wireless external services revenues (previously wireless operating service revenues) divided by the average mobile phone subscriber base for the specified period, expressed as a dollar unit per month.

(B) In Q4 2022, as a result of the acquisition of Distributel Communications Limited (Distributel), our retail high-speed Internet, retail IPTV and retail residential NAS lines subscriber bases increased by 128,065, 2,315 and 64,498 subscribers, respectively.

(C) In Q1 2023, we adjusted our mobile phone postpaid and mobile connected device subscriber bases to remove older non-revenue generating business subscribers of 73,229 and 12,577, respectively.

(D) In Q1 2023, subsequent to a review of customer account records, our retail high-speed Internet subscriber base was reduced by 7,347 subscribers.

Bell CTS Metrics - Historical Trend ⁽¹⁾

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q1 23	TOTAL 2022	Q4 22	Q3 22	Q2 22	Q1 22
Mobile phone subscribers						
Gross subscriber activations	405,535	1,953,912	605,034	583,700	415,270	349,908
Postpaid	272,609	1,355,772	467,294	391,165	266,600	230,713
Prepaid	132,926	598,140	137,740	192,535	148,670	119,195
Net subscriber activations (losses)	26,635	489,901	122,621	224,343	110,761	32,176
Postpaid	43,289	439,842	154,617	167,798	83,197	34,230
Prepaid	(16,654)	50,059	(31,996)	56,545	27,564	(2,054)
Subscribers end of period (EOP) ^(C)	9,902,492	9,949,086	9,949,086	9,826,465	9,602,122	9,491,361
Postpaid ^(C)	9,039,947	9,069,887	9,069,887	8,915,270	8,747,472	8,664,275
Prepaid	862,545	879,199	879,199	911,195	854,650	827,086
Blended ARPU (\$/month) ^(A)	58.15	58.92	58.49	60.39	59.17	57.61
Blended churn (%) (average per month)	1.29%	1.27%	1.63%	1.24%	1.07%	1.12%
Postpaid	0.90%	0.92%	1.22%	0.90%	0.75%	0.79%
Prepaid	5.28%	4.85%	5.74%	4.58%	4.41%	4.61%
Mobile connected device subscribers						
Net subscriber activations	70,742	202,024	104,447	49,044	(344)	48,877
Subscribers EOP ^(C)	2,509,983	2,451,818	2,451,818	2,347,371	2,298,327	2,298,671
Retail high-speed Internet subscribers						
Retail net subscriber activations	27,274	201,762	63,466	89,652	22,620	26,024
Retail subscribers EOP ^{(B)(D)}	4,278,497	4,258,570	4,258,570	4,067,039	3,977,387	3,954,767
Retail TV subscribers						
Retail net subscriber activations (losses)	(13,949)	5,148	14,183	10,853	(11,527)	(8,361)
IPTV	10,899	94,400	40,209	38,093	3,838	12,260
Satellite	(24,848)	(89,252)	(26,026)	(27,240)	(15,365)	(20,621)
Total retail subscribers EOP ^(B)	2,737,549	2,751,498	2,751,498	2,735,000	2,724,147	2,735,674
IPTV ^(B)	1,999,080	1,988,181	1,988,181	1,945,657	1,907,564	1,903,726
Satellite	738,469	763,317	763,317	789,343	816,583	831,948
Retail residential NAS						
Retail residential NAS lines net losses	(46,881)	(175,788)	(37,878)	(42,853)	(52,712)	(42,345)
Retail residential NAS lines ^(B)	2,143,890	2,190,771	2,190,771	2,164,151	2,207,004	2,259,716

^(A) Effective Q1 2023, as a result of the segment reporting changes impacting intersegment eliminations, ARPU has been updated and is defined as Bell CTS wireless external services revenues (previously wireless operating service revenues) divided by the average mobile phone subscriber base for the specified period, expressed as a dollar unit per month.

^(B) In Q4 2022, as a result of the acquisition of Distributel, our retail high-speed Internet, retail IPTV and retail residential NAS lines subscriber bases increased by 128,065, 2,315 and 64,498 subscribers, respectively.

^(C) In Q1 2023, we adjusted our mobile phone postpaid and mobile connected device subscriber bases to remove older non-revenue generating business subscribers of 73,229 and 12,577, respectively.

^(D) In Q1 2023, subsequent to a review of customer account records, our retail high-speed Internet subscriber base was reduced by 7,347 subscribers.

BCE - Net debt and preferred shares																			
<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>																			
	<table border="1" style="float: right;"> <thead> <tr> <th style="text-align: center;">March 31 2023</th> <th style="text-align: center;">December 31 2022</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">27,456</td> <td style="text-align: right;">27,783</td> </tr> <tr> <td style="text-align: right;">6,347</td> <td style="text-align: right;">4,137</td> </tr> <tr> <td style="text-align: right;">1,914</td> <td style="text-align: right;">1,935</td> </tr> <tr> <td style="text-align: right;">(651)</td> <td style="text-align: right;">(99)</td> </tr> <tr> <td style="text-align: right;">(90)</td> <td style="text-align: right;">(50)</td> </tr> <tr> <td style="text-align: right;">34,976</td> <td style="text-align: right;">33,706</td> </tr> <tr> <td style="text-align: right;">3.44</td> <td style="text-align: right;">3.30</td> </tr> <tr> <td style="text-align: right;">7.94</td> <td style="text-align: right;">8.50</td> </tr> </tbody> </table>	March 31 2023	December 31 2022	27,456	27,783	6,347	4,137	1,914	1,935	(651)	(99)	(90)	(50)	34,976	33,706	3.44	3.30	7.94	8.50
March 31 2023	December 31 2022																		
27,456	27,783																		
6,347	4,137																		
1,914	1,935																		
(651)	(99)																		
(90)	(50)																		
34,976	33,706																		
3.44	3.30																		
7.94	8.50																		
Long-term debt																			
Debt due within one year																			
50% of preferred shares																			
Cash																			
Cash equivalents																			
Net debt ^(A)																			
Net debt leverage ratio ^(A)																			
Adjusted EBITDA /adjusted net interest expense ratio ^(A)																			

Cash flow information																													
<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>																													
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Q1 2023	Q1 2022	\$ change	% change																										
1,247	1,716	(469)	(27.3%)																										
(1,086)	(959)	(127)	(13.2%)																										
(55)	(33)	(22)	(66.7%)																										
(21)	(11)	(10)	(90.9%)																										
-	3	(3)	(100.0%)																										
85	716	(631)	(88.1%)																										
Free cash flow (FCF) ^(A)																													
Cash flows from operating activities																													
Capital expenditures																													
Cash dividends paid on preferred shares																													
Cash dividends paid by subsidiaries to non-controlling interest																													
Acquisition and other costs paid																													
FCF																													

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	<table border="1" style="float: right;"> <thead> <tr> <th style="text-align: center;">Q1 2023</th> <th style="text-align: center;">Total 2022</th> <th style="text-align: center;">Q4 2022</th> <th style="text-align: center;">Q3 2022</th> <th style="text-align: center;">Q2 2022</th> <th style="text-align: center;">Q1 2022</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">1,247</td> <td style="text-align: right;">8,365</td> <td style="text-align: right;">2,056</td> <td style="text-align: right;">1,996</td> <td style="text-align: right;">2,597</td> <td style="text-align: right;">1,716</td> </tr> <tr> <td style="text-align: right;">(1,086)</td> <td style="text-align: right;">(5,133)</td> <td style="text-align: right;">(1,638)</td> <td style="text-align: right;">(1,317)</td> <td style="text-align: right;">(1,219)</td> <td style="text-align: right;">(959)</td> </tr> <tr> <td style="text-align: right;">(55)</td> <td style="text-align: right;">(136)</td> <td style="text-align: right;">(42)</td> <td style="text-align: right;">(27)</td> <td style="text-align: right;">(34)</td> <td style="text-align: right;">(33)</td> </tr> <tr> <td style="text-align: right;">(21)</td> <td style="text-align: right;">(39)</td> <td style="text-align: right;">(3)</td> <td style="text-align: right;">(11)</td> <td style="text-align: right;">(14)</td> <td style="text-align: right;">(11)</td> </tr> <tr> <td style="text-align: right;">-</td> <td style="text-align: right;">10</td> <td style="text-align: right;">3</td> <td style="text-align: right;">1</td> <td style="text-align: right;">3</td> <td style="text-align: right;">3</td> </tr> <tr> <td style="text-align: right;">85</td> <td style="text-align: right;">3,067</td> <td style="text-align: right;">376</td> <td style="text-align: right;">642</td> <td style="text-align: right;">1,333</td> <td style="text-align: right;">716</td> </tr> </tbody> </table>	Q1 2023	Total 2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022	1,247	8,365	2,056	1,996	2,597	1,716	(1,086)	(5,133)	(1,638)	(1,317)	(1,219)	(959)	(55)	(136)	(42)	(27)	(34)	(33)	(21)	(39)	(3)	(11)	(14)	(11)	-	10	3	1	3	3	85	3,067	376	642	1,333	716
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^(A) Net debt and free cash flow are non-GAAP financial measures and net debt leverage ratio and adjusted EBITDA to adjusted net interest expense ratio are capital management measures. Refer to note 2.1, *Non-GAAP financial measures* and note 2.4, *Capital management measures* in the Accompanying Notes to this report for more information on these measures.

BCE
Consolidated Statements of Financial Position

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	March 31 2023	December 31 2022
ASSETS		
Current assets		
Cash	651	99
Cash equivalents	90	50
Trade and other receivables	3,828	4,138
Inventory	673	656
Contract assets	419	436
Contract costs	538	540
Prepaid expenses	378	244
Other current assets	330	324
Assets held for sale	260	-
Total current assets	7,167	6,487
Non-current assets		
Contract assets	260	288
Contract costs	633	603
Property, plant and equipment	29,233	29,256
Intangible assets	16,338	16,183
Deferred tax assets	102	84
Investments in associates and joint ventures	664	608
Post-employment benefit assets	3,407	3,559
Other non-current assets	1,341	1,355
Goodwill	10,830	10,906
Total non-current assets	62,808	62,842
Total assets	69,975	69,329
LIABILITIES		
Current liabilities		
Trade payables and other liabilities	4,080	5,221
Contract liabilities	851	857
Interest payable	208	281
Dividends payable	900	867
Current tax liabilities	164	106
Debt due within one year	6,347	4,137
Liabilities held for sale	109	-
Total current liabilities	12,659	11,469
Non-current liabilities		
Contract liabilities	244	228
Long-term debt	27,456	27,783
Deferred tax liabilities	4,969	4,953
Post-employment benefit obligations	1,348	1,311
Other non-current liabilities	1,032	1,070
Total non-current liabilities	35,049	35,345
Total liabilities	47,708	46,814
EQUITY		
Equity attributable to BCE shareholders		
Preferred shares	3,827	3,870
Common shares	20,851	20,840
Contributed surplus	1,179	1,172
Accumulated other comprehensive income (loss)	3	(55)
Deficit	(3,926)	(3,649)
Total equity attributable to BCE shareholders	21,934	22,178
Non-controlling interest	333	337
Total equity	22,267	22,515
Total liabilities and equity	69,975	69,329
Number of common shares outstanding (millions)	912.2	912.0

BCE
Consolidated Cash Flow Data

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q1 2023	Q1 2022	\$ change
Net earnings	788	934	(146)
Adjustments to reconcile net earnings to cash flows from operating activities			
Severance, acquisition and other costs	49	13	36
Depreciation and amortization	1,201	1,151	50
Post-employment benefit plans cost	31	51	(20)
Net interest expense	330	258	72
Impairment of assets	34	2	32
Gains on investments	-	(37)	37
Income taxes	270	335	(65)
Contributions to post-employment benefit plans	(15)	(79)	64
Payments under other post-employment benefit plans	(15)	(15)	-
Severance and other costs paid	(25)	(28)	3
Interest paid	(439)	(373)	(66)
Income taxes paid (net of refunds)	(164)	(116)	(48)
Acquisition and other costs paid	-	(3)	3
Change in contract assets	45	32	13
Change in wireless device financing plan receivables	41	59	(18)
Net change in operating assets and liabilities	(884)	(468)	(416)
Cash flows from operating activities	1,247	1,716	(469)
Capital expenditures	(1,086)	(959)	(127)
Cash dividends paid on preferred shares	(55)	(33)	(22)
Cash dividends paid by subsidiaries to non-controlling interest	(21)	(11)	(10)
Acquisition and other costs paid	-	3	(3)
Free cash flow	85	716	(631)
Business acquisitions	(25)	(139)	114
Business dispositions	-	52	(52)
Acquisition and other costs paid	-	(3)	3
Other investing activities	20	(10)	30
(Decrease) increase in notes payable	(83)	469	(552)
Increase in securitized receivables	500	-	500
Issue of long-term debt	1,504	945	559
Repayment of long-term debt	(299)	(1,258)	959
Repurchase of a financial liability	(149)	-	(149)
Issue of common shares	10	161	(151)
Purchase of shares for settlement of share-based payments	(93)	(106)	13
Repurchase of preferred shares	(31)	(115)	84
Cash dividends paid on common shares	(839)	(795)	(44)
Other financing activities	(8)	(28)	20
	507	(827)	1,334
Net increase (decrease) in cash	552	(111)	663
Cash at beginning of period	99	289	(190)
Cash at end of period	651	178	473
Net increase in cash equivalents	40	-	40
Cash equivalents at beginning of period	50	-	50
Cash equivalents at end of period	90	-	90

Consolidated Cash Flow Data - Historical Trend

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q1 23	TOTAL 2022	Q4 22	Q3 22	Q2 22	Q1 22
Net earnings	788	2,926	567	771	654	934
Adjustments to reconcile net earnings to cash flows from operating activities						
Severance, acquisition and other costs	49	94	19	22	40	13
Depreciation and amortization	1,201	4,723	1,192	1,181	1,199	1,151
Post-employment benefit plans cost	31	198	47	48	52	51
Net interest expense	330	1,124	319	282	265	258
Impairment of assets	34	279	150	21	106	2
(Gains) losses on investments	-	(24)	29	-	(16)	(37)
Income taxes	270	967	222	178	232	335
Contributions to post-employment benefit plans	(15)	(140)	(12)	(14)	(35)	(79)
Payments under other post-employment benefit plans	(15)	(64)	(17)	(17)	(15)	(15)
Severance and other costs paid	(25)	(129)	(27)	(44)	(30)	(28)
Interest paid	(439)	(1,197)	(243)	(385)	(196)	(373)
Income taxes paid (net of refunds)	(164)	(749)	(340)	(150)	(143)	(116)
Acquisition and other costs paid	-	(10)	(3)	(1)	(3)	(3)
Change in contract assets	45	(59)	(94)	(20)	23	32
Change in wireless device financing plan receivables	41	22	(99)	(6)	68	59
Net change in operating assets and liabilities	(884)	404	346	130	396	(468)
Cash flows from operating activities	1,247	8,365	2,056	1,996	2,597	1,716
Capital expenditures	(1,086)	(5,133)	(1,638)	(1,317)	(1,219)	(959)
Cash dividends paid on preferred shares	(55)	(136)	(42)	(27)	(34)	(33)
Cash dividends paid by subsidiaries to non-controlling interest	(21)	(39)	(3)	(11)	(14)	(11)
Acquisition and other costs paid	-	10	3	1	3	3
Free cash flow	85	3,067	376	642	1,333	716
Business acquisitions	(25)	(429)	(287)	(3)	-	(139)
Business dispositions	-	52	(1)	(1)	2	52
Acquisition and other costs paid	-	(10)	(3)	(1)	(3)	(3)
Other investing activities	20	(7)	(13)	(11)	27	(10)
(Decrease) increase in notes payable	(83)	111	(511)	(34)	187	469
Increase in securitized receivables	500	700	-	700	-	-
Issue of long-term debt	1,504	1,951	1,006	-	-	945
Repayment of long-term debt	(299)	(2,023)	(250)	(270)	(245)	(1,258)
Repurchase of a financial liability	(149)	-	-	-	-	-
Issue of common shares	10	171	2	1	7	161
Purchase of shares for settlement of share-based payments	(93)	(255)	(49)	(49)	(51)	(106)
Repurchase of preferred shares	(31)	(125)	(10)	-	-	(115)
Cash dividends paid on common shares	(839)	(3,312)	(839)	(839)	(839)	(795)
Other financing activities	(8)	(31)	(5)	2	-	(28)
Net increase (decrease) in cash	507	(3,207)	(960)	(505)	(915)	(827)
Cash at beginning of period	99	289	583	596	178	289
Cash at end of period	651	99	99	583	596	178
Net increase (decrease) in cash equivalents	40	50	(100)	150	-	-
Cash equivalents at beginning of period	50	-	150	-	-	-
Cash equivalents at end of period	90	50	50	150	-	-

- (1) Effective Q1 2023, our results are now reported in two segments: Bell CTS and Bell Media.

In 2022, we began modifying our internal and external reporting processes to align with organizational changes that were made to reflect an increasing strategic focus on multiproduct sales, the continually increasing technological convergence of our wireless and wireline telecommunications infrastructure and operations driven by the deployment of our Fifth Generation (5G) and fibre networks, and our digital transformation. These factors have made it increasingly difficult to distinguish between our wireless and wireline operations and resulted in changes in Q1 2023 to the financial information that is regularly provided to our chief operating decision maker to measure performance and allocate resources.

Effective with our Q1 2023 results, our previous Bell Wireless and Bell Wireline operating segments were combined to form a single reporting segment called Bell Communication and Technology Services (Bell CTS). Bell Media remains a distinct reportable segment and is unaffected. Our results are therefore reported in two segments: Bell CTS and Bell Media. As a result of our reporting changes, prior periods have been restated for comparative purposes.

Our Bell CTS segment provides a wide range of communication products and services to consumers, businesses and government customers across Canada. Wireless products and services include mobile data and voice plans and devices and are available nationally. Wireline products and services comprise data (including Internet access, IPTV, cloud-based services and business solutions), voice, and other communication services and products, which are available to our residential, small and medium-sized business and large enterprise customers primarily in Ontario, Québec, the Atlantic provinces and Manitoba, while satellite TV service and connectivity to business customers are available nationally across Canada. In addition, this segment includes our wholesale business, which buys and sells local telephone, long distance, data and other services from or to resellers and other carriers, as well as the results of operations of our national consumer electronics retailer, The Source (Bell) Electronics Inc. (The Source).

Our Bell Media segment provides conventional TV, specialty TV, pay TV, streaming services, digital media services, radio broadcasting services and OOH and advanced advertising services to customers nationally across Canada.

Furthermore, effective Q1 2023, as a result of the segment reporting changes impacting intersegment eliminations, ARPU has been updated and is defined as Bell CTS wireless external services revenues (previously wireless operating service revenues) divided by the average mobile phone subscriber base for the specified period, expressed as a dollar unit per month.

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 and other financial measures**

BCE uses various financial measures to assess its business performance. Certain of these measures are calculated in accordance with International Financial Reporting Standards (IFRS or GAAP) while certain other measures do not have a standardized meaning under GAAP. We believe that our GAAP financial measures, read together with adjusted non-GAAP and other financial measures, provide readers with a better understanding of how management assesses BCE's performance.

National Instrument 52-112, *Non-GAAP and Other Financial Measures Disclosure* (NI 52-112), prescribes disclosure requirements that apply to the following specified financial measures:

- Non-GAAP financial measures;
- Non-GAAP ratios;

- Total of segments measures;
- Capital management measures; and
- Supplementary financial measures.

This section provides a description and classification of the specified financial measures contemplated by NI 52-112 that we use in this report to explain our financial results except that, for supplementary financial measures, an explanation of such measures is provided where they are first referred to in this report if the supplementary financial measures' labelling is not sufficiently descriptive.

(2.1) **Non-GAAP financial measures**

A non-GAAP financial measure is a financial measure used to depict our historical or expected future financial performance, financial position or cash flow and, with respect to its composition, either excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in BCE's consolidated primary financial statements. We believe that non-GAAP financial measures are reflective of our on-going operating results and provide readers with an understanding of management's perspective on and analysis of our performance.

Below are descriptions of the non-GAAP financial measures that we use in this report to explain our results. Except for adjusted net interest expense, for which a reconciliation is provided below, reconciliations to the most directly comparable IFRS financial measures on a consolidated basis are set out earlier in this report.

Adjusted net earnings

The term adjusted net earnings does not have any standardized meaning under IFRS. Therefore, it is 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 equity losses (gains) on investments in associates and joint ventures, net losses (gains) on investments, early debt redemption costs, impairment of assets and discontinued operations, net of tax and NCI.

We use adjusted net earnings and we believe that certain investors and analysts use this measure, 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 equity losses (gains) on investments in associates and joint ventures, 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 directly comparable IFRS financial measure is net earnings attributable to common shareholders. Refer to pages 2 and 3 of this report for a reconciliation of net earnings attributable to common shareholders to adjusted net earnings on a consolidated basis.

Adjusted net interest expense

The term adjusted 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 define adjusted net interest expense as twelve-month trailing net interest expense as shown in our consolidated statements of cash flows, plus 50% of twelve-month trailing net earnings attributable to preferred shareholders as shown in our consolidated income statements.

We use adjusted net interest expense as a component in the calculation of the adjusted EBITDA to adjusted net interest expense ratio, which is a capital management measure. For further details on the adjusted EBITDA to adjusted net interest expense ratio, see note 2.4, *Capital management measures* below. We use and believe that certain investors and analysts use the adjusted EBITDA to adjusted net interest expense ratio, among other measures, to evaluate the financial health of the company.

The most directly comparable IFRS financial measure is net interest expense. The following tables provide reconciliations of net interest expense to adjusted net interest expense on a consolidated basis.

	Q1 2023
Net interest expense (three months ended March 31, 2023)	330
Net interest expense (year ended December 31, 2022)	1,124
Net interest expense (three months ended March 31, 2022)	(258)
12-month trailing net interest expense (ended March 31, 2023)	1,196
50% of net earnings attributable to preferred shareholders (three months ended March 31, 2023)	23
50% of net earnings attributable to preferred shareholders (year ended December 31, 2022)	76
50% of net earnings attributable to preferred shareholders (three months ended March 31, 2022)	(17)
50% of 12-month trailing net earnings attributable to preferred shareholders (ended March 31, 2023)	82
Adjusted net interest expense for the twelve months ended March 31, 2023	1,278

	Q4 2022
Net interest expense	1,124
50% of net earnings attributable to preferred shareholders	76
Adjusted net interest expense	1,200

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. Free cash flow 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 directly comparable IFRS financial measure is cash flows from operating activities. Refer to pages 10, 12 and 13 of this report for a reconciliation of cash flows from operating activities to free cash flow on a consolidated basis.

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 is calculated using several asset and liability categories from the statements of financial position. The most directly comparable IFRS financial measure is long-term debt. Refer to page 10 of this report for a reconciliation of long-term debt to net debt on a consolidated basis.

(2.2) **Non-GAAP ratios**

A non-GAAP ratio is a financial measure disclosed in the form of a ratio, fraction, percentage or similar representation and that has a non-GAAP financial measure as one or more of its components.

Adjusted EPS

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

We define adjusted EPS as adjusted net earnings per BCE common share. Adjusted net earnings is a non-GAAP financial measure. For further details on adjusted net earnings, see note 2.1 – *Non-GAAP financial measures* above.

We use adjusted EPS, and we believe that certain investors and analysts use this measure, 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 equity losses (gains) on investments in associates and joint ventures, 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.

(2.3) **Total of segments measures**

A total of segments measure is a financial measure that is a subtotal or total of 2 or more reportable segments and is disclosed within the Notes to BCE's consolidated primary financial statements.

Adjusted EBITDA

We define adjusted EBITDA as operating revenues less operating costs as shown in BCE's consolidated income statements.

The most directly comparable IFRS financial measure is net earnings. The following tables provide reconciliations of net earnings to adjusted EBITDA on a consolidated basis.

	Q1 2023	Total 2022	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Net earnings	788	2,926	567	771	654	934
Severance, acquisition and other costs	49	94	19	22	40	13
Depreciation	918	3,660	922	914	933	891
Amortization	283	1,063	270	267	266	260
Finance costs						
Interest expense	344	1,146	319	298	269	260
Net return on post-employment benefit plans	(27)	(51)	(13)	(13)	(7)	(18)
Impairment of assets	34	279	150	21	106	2
Other (income) expense	(121)	115	(19)	130	97	(93)
Income taxes	270	967	222	178	232	335
Adjusted EBITDA	2,538	10,199	2,437	2,588	2,590	2,584

(2.4) **Capital management measures**

A capital management measure is a financial measure that is intended to enable a reader to evaluate our objectives, policies and processes for managing our capital and is disclosed within the Notes to BCE's consolidated financial statements.

The financial reporting framework used to prepare the financial statements requires disclosure that helps readers assess the company's capital management objectives, policies, and processes, as set out in IFRS in IAS 1 – *Presentation of Financial Statements*. BCE has its own methods for managing capital and liquidity, and IFRS does not prescribe any particular calculation method.

Adjusted EBITDA to adjusted net interest expense ratio

The adjusted EBITDA to adjusted net interest expense ratio represents adjusted EBITDA divided by adjusted net interest expense. For the purposes of calculating our adjusted EBITDA to adjusted net interest expense ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA. Adjusted net interest expense used in the calculation of the adjusted EBITDA to adjusted net interest expense ratio is a non-GAAP financial measure defined as twelve-month trailing net interest expense as shown in our consolidated statements of cash flows, plus 50% of twelve-month trailing net earnings attributable to preferred shareholders as shown in our consolidated income statements. For further details on adjusted net interest expense, see note 2.1, *Non-GAAP financial measures* above.

We use, and believe that certain investors and analysts use, the adjusted EBITDA to adjusted net interest expense ratio, among other measures, to evaluate the financial health of the company.

Net debt leverage ratio

The net debt leverage ratio represents net debt divided by adjusted EBITDA. Net debt used in the calculation of the net debt leverage ratio is a non-GAAP financial measure. For further details on net debt, see note 2.1, *Non-GAAP financial measures* above. For the purposes of calculating our net debt leverage ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA.

We use, and believe that certain investors and analysts use, the net debt leverage ratio as a measure of financial leverage.

(2.5) **Supplementary financial measures**

A supplementary financial measure is a financial measure that is not reported in BCE's consolidated financial statements, and is, or is intended to be, reported periodically to represent historical or expected future financial performance, financial position, or cash flows.

An explanation of such measures is provided where they are first referred to in this report if the supplementary financial measures' labelling is not sufficiently descriptive.

(3) **Key performance indicators (KPIs)**

In addition to the non-GAAP financial measures and other financial measures described previously, we use the following 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.

Adjusted EBITDA margin is defined as adjusted EBITDA divided by operating revenues.

Capital intensity is defined as capital expenditures divided by operating revenues.

Mobile phone blended ARPU is defined as Bell CTS wireless external services revenues divided by the average mobile phone subscriber base for the specified period, 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