
BCE

ANNUAL GENERAL
SHAREHOLDER MEETING

2013



SIIM VANASELJA

Chief Financial Officer

2012 financial summary

		ACTUAL	TARGET	RESULT
Bell	Revenue growth	3.0%	3% - 5%	✓
	EBITDA growth	4.4%	2% - 4%	✓
	Capital Intensity	16.6%	~16%	✓
BCE	Adjusted EPS	\$3.18	\$3.15 - \$3.20	✓
	Adjusted EPS – restated ¹	\$2.96	\$2.93 - \$2.98	✓
	Free Cash Flow	\$2.42 B	\$2.35 B - \$2.50 B	✓

Achieved all 2012 financial guidance targets

¹ Reflects new pension accounting standard for defined benefit plan expense.



Achievable financial targets for 2013

2013 GUIDANCE

TARGET

Bell

Revenue growth

0% - 2%

EBITDA growth

1% - 3%

Capital Intensity

16% - 17%

BCE

Adjusted EPS

\$2.97 - \$3.03

Free Cash Flow growth

5% - 9%

Bell

Q1 2013 financial performance

	(\$MILLIONS)	Q1 2013	Y/Y
Bell	Revenue	\$4,348	0.3%
	Service	\$3,987	1.3%
	Product	\$361	(9.0%)
	EBITDA	\$1,641	2.1%
	EBITDA margin	37.7%	0.6 pts
BCE	Adjusted net earnings	\$566	6.6%
	Adjusted EPS	\$0.77	11.6%
	Free Cash Flow	\$247	(25.4%)

A solid start to the year, tracking to guidance targets



Prudent capital structure foundation

Favourable credit profile

- Investment grade ratings with stable outlook

Attractive debt maturity schedule

- Weighted average term of debt ~10 years
- Reduced average cost of debt by over 2% in past 4 years to 3.7% after-tax

Strong liquidity position

- Cash balance of \$1.2 Billion
- Over \$3 Billion in available liquidity
- Significant excess Free Cash Flow after capital investments and dividends paid

Strong balance sheet and credit profile underlie capital market objectives

Optimizing returns to shareholders

Annual dividend yield: ~5%



Annual dividend growth:

Payout policy 65% - 75% of Free Cash Flow



Capital investment in our business:

~\$3.5 B in 2013



Annual surplus cash deployment:

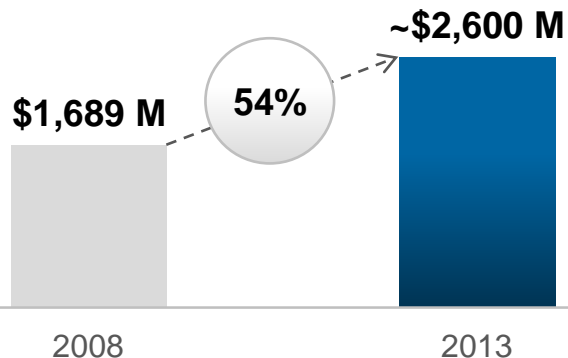
~\$800 M for 2013

A large blue circle containing the text 'Total Shareholder Return' in white.

**Total
Shareholder
Return**

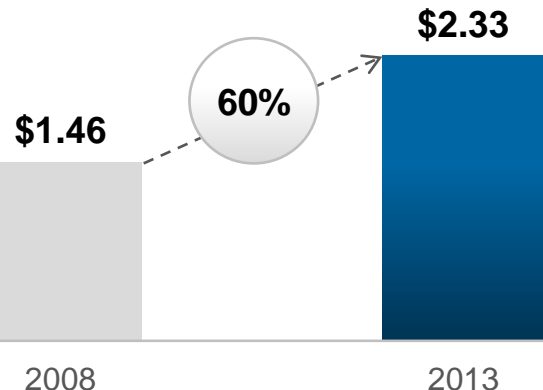
Executing on dividend growth model

FREE CASH FLOW (FCF)



- FCF CAGR of ~9% since 2008
- 2013 target payout: ~69% of FCF

COMMON SHARE DIVIDEND

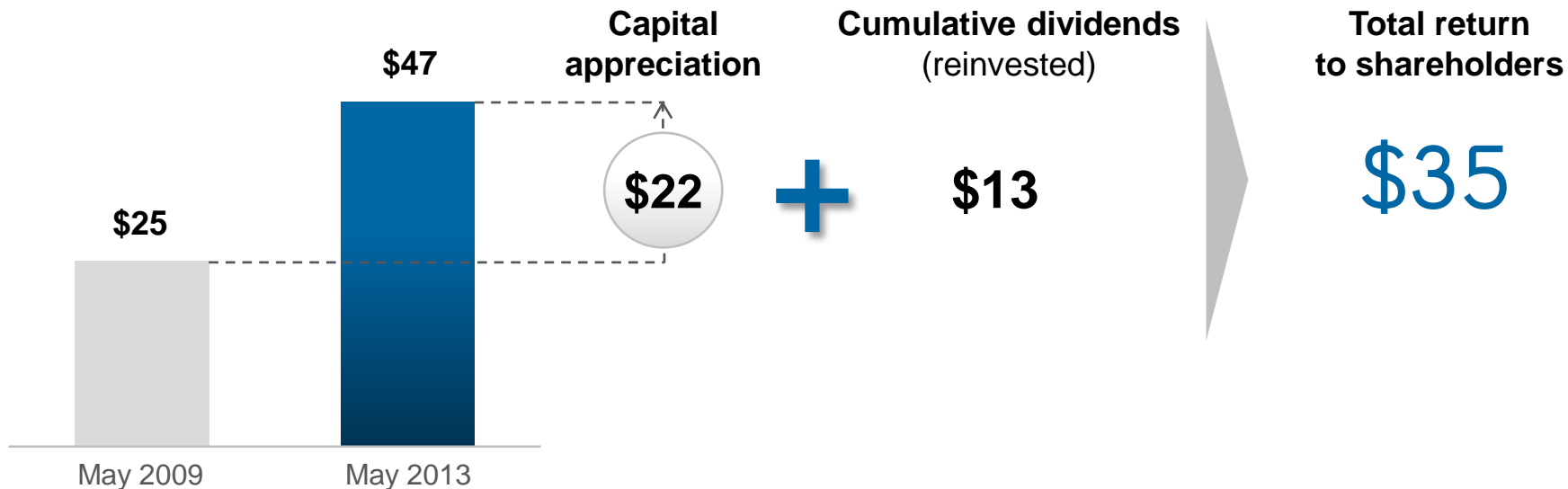


- 9 dividend increases totalling 60% since Q4 2008
- Dividend for 2013 up 16¢ to \$2.33 per share

Strong track record of growth in FCF and common dividend

Attractive cash returns to shareholders

4-YEAR PERFORMANCE



Total shareholder return of ~140% since May 2009



GEORGE COPE

President and
Chief Executive Officer

Canada's largest communications company

Customer connections: 21 million

Revenues: \$20 billion

Enterprise value: \$56 billion

Employees nationwide: 55,500

One of the most widely held
stocks in Canada

Bell

Bell Fibe and Satellite TV

Bell Mobility and Virgin Mobile

Bell Internet

Bell Home Phone

Bell Business Markets

Bell Media

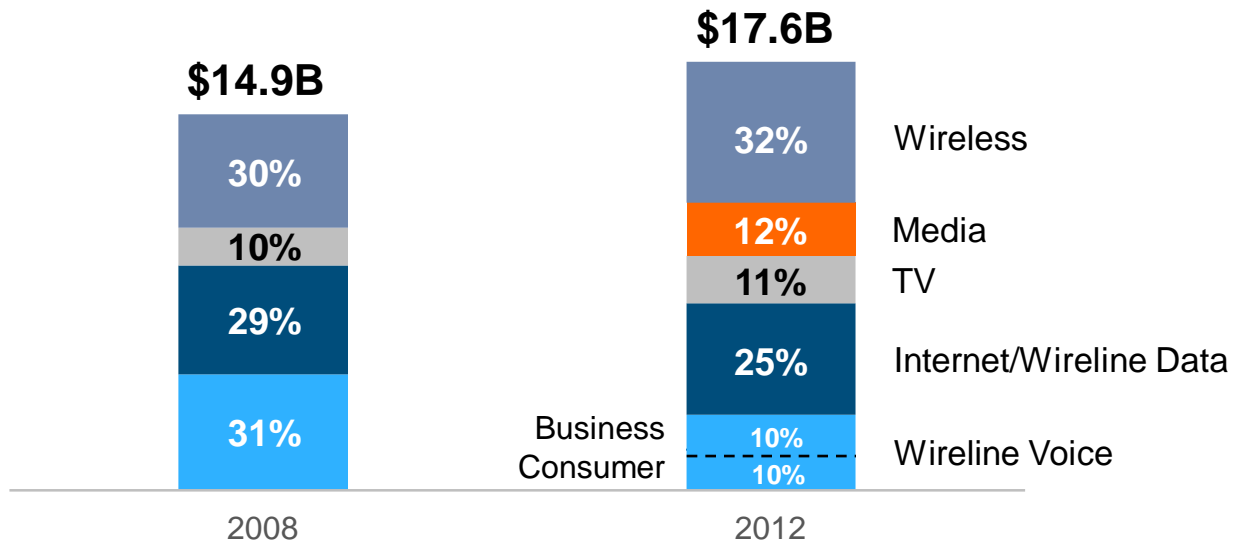


Bell

Transformation of Bell's operating mix

OPERATING REVENUES

In 2013, over 80% of revenues will be generated from Wireless, TV, Internet and Media



Strategy reflects customer mix shifting away from traditional voice



6 Strategic Imperatives

Our goal

To be recognized
by customers
as Canada's
leading
communications
company

- 1 **Invest in Broadband Networks and Services**
- 2 **Accelerate Wireless**
- 3 **Leverage Wireline Momentum**
- 4 **Expand Media Leadership**
- 5 **Improve Customer Service**
- 6 **Achieve a Competitive Cost Structure**

1

Invest in Broadband Networks and Services



BCE leads in next-generation technologies



Nimiq 6 launch



Integrated Broadcast Management System

Fibe TV and Fibe Internet expansion



Data hosting centres

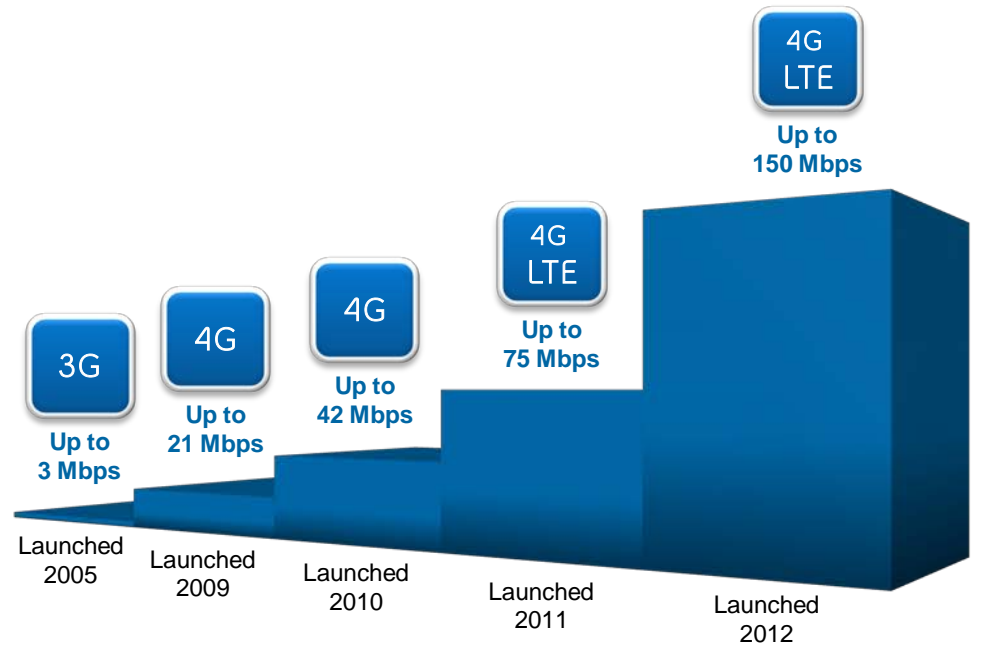


LTE and HSPA+

Investing more than \$3.5 Billion each year

Canada's largest 4G LTE network

- Maintaining global wireless leadership
- Access in all major metropolitan centres
- Blazing fast speeds for more than 22 million Canadians



More than 75% population covered by year-end 2013



Investing in next-generation TV

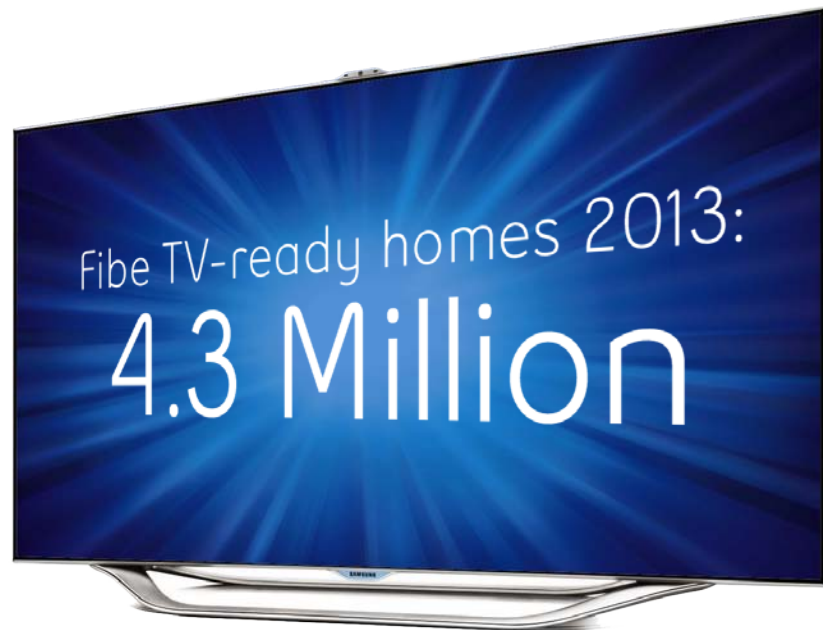
New Fibe TV markets for 2013

Ontario

Ottawa, Hamilton, Markham, Vaughan,
Richmond Hill, Barrie, Milton, Newmarket,
Stoney Creek, Aurora

Québec

South Shore Montréal, North Shore Montréal,
Laval



Growing Fibe TV footprint by 1 million homes in 2013

2

Accelerate Wireless

Be



Broadest choice of mobile devices



BlackBerry Q10



Samsung Galaxy S4



Sony Xperia



iPhone 5



HTC One

68% of Bell postpaid customers have smartphones



Undisputed Mobile TV leadership

Superphones and tablets with
30 live TV channels.



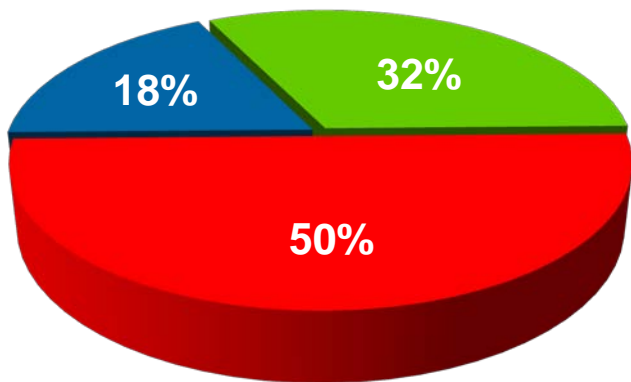
More than 800,000 Bell Mobile TV subscribers

Bell

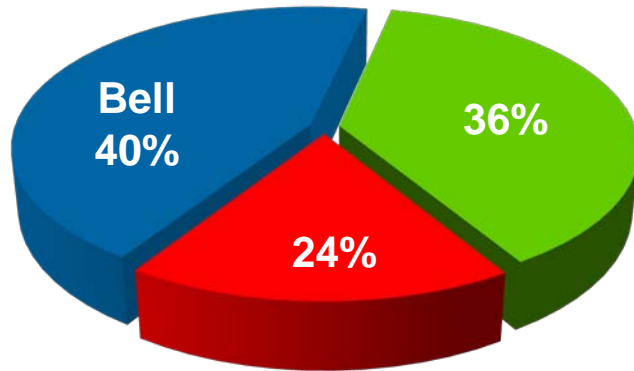
Market share leadership

Postpaid net adds share

2007



2012



■ Bell ■ TELUS ■ ROGERS

Dramatic growth for Bell Mobility over past 5 years











RBC and Bell partner on mobile commerce

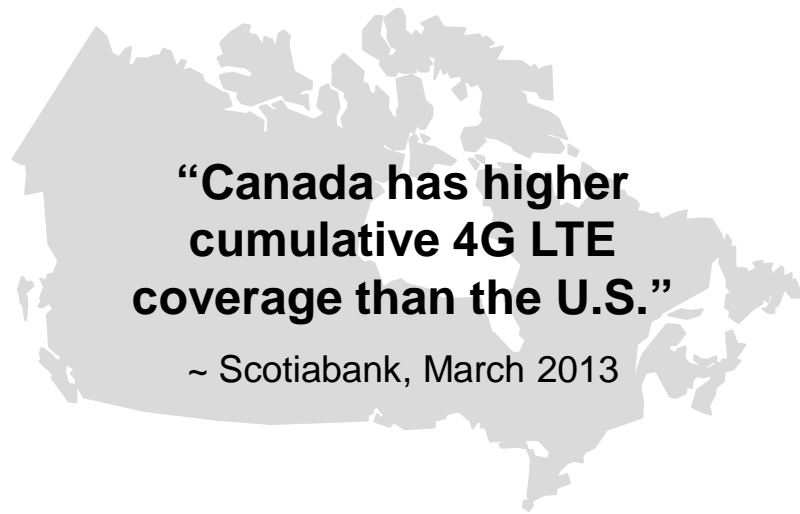
- Canada's largest bank and Canada's largest communications company working together to deliver smartphone payment capabilities
- Fast, easy and secure transactions by RBC customers over Bell network with both credit and debit payments
- Pilot project begins next month, commercial availability by the end of the year

* Just announced



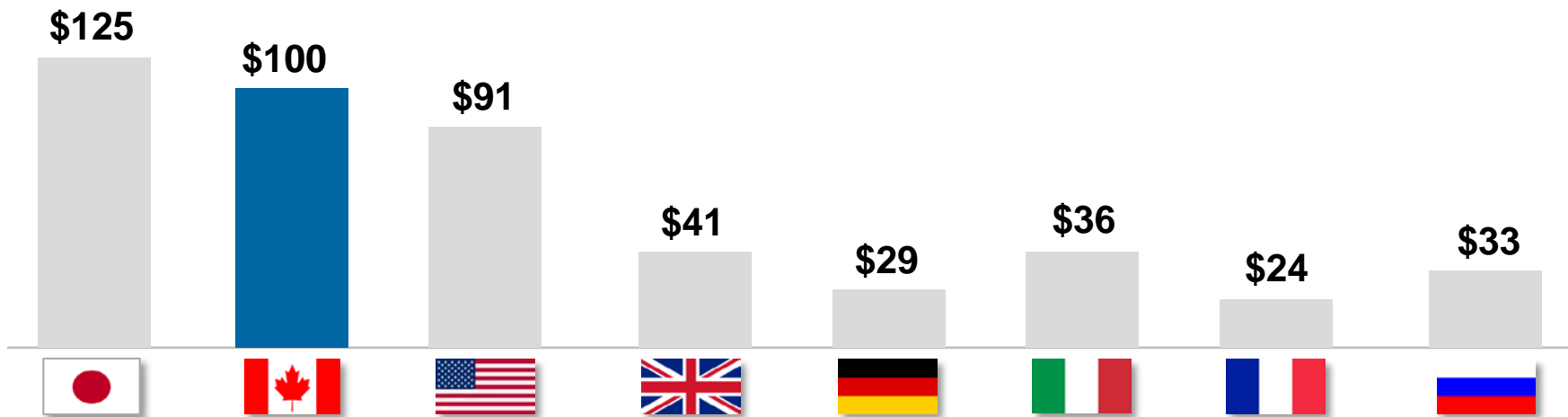
Fact: Canada leads in LTE coverage

COUNTRY AND POPULATION	# OF CARRIERS OFFERING LTE ≥60% OF POPULATION
 33 Million	3
 305 Million	2
 61 Million	0
 82 Million	1
 64 Million	0
 60 Million	0
 128 Million	3
 142 Million	0



Fact: Canada is a leader in wireless capital investment

CAPEX PER WIRELESS SUBSCRIBER 2012

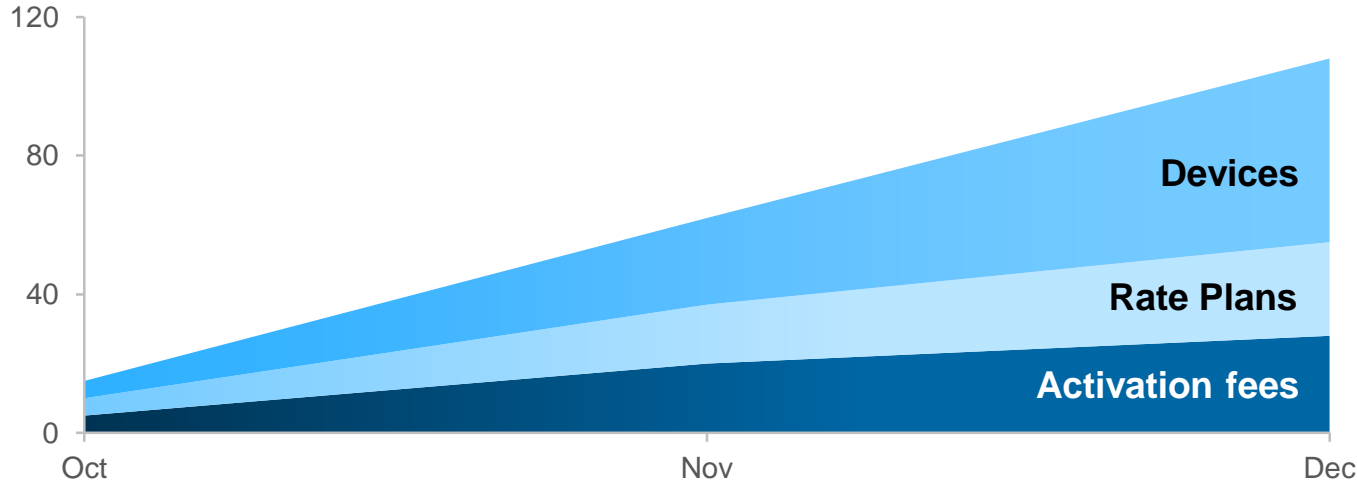


Canadian incumbent carriers have invested \$11 Billion of capital in wireless over last 5 years

Fact: Canadian wireless industry is highly competitive

CUMULATIVE WIRELESS PRICE DECLINES (INCUMBENTS) – Q4 2012

of Price Declines



100+ price declines among Canada's top 3 wireless carriers



Fact: Canadian pricing less expensive than U.S.

Smartphone monthly plans
24% - 27% lower
across all usage categories

Scotiabank, March 2013.



**Canadian leadership in wireless technology, investment
and affordability is a win for all consumers**

Bell

Bell

3

Leverage
Wireline Momentum



Canada runs on Bell



AIR CANADA



CIRQUE DU SOLEIL



Agence métropolitaine de transport



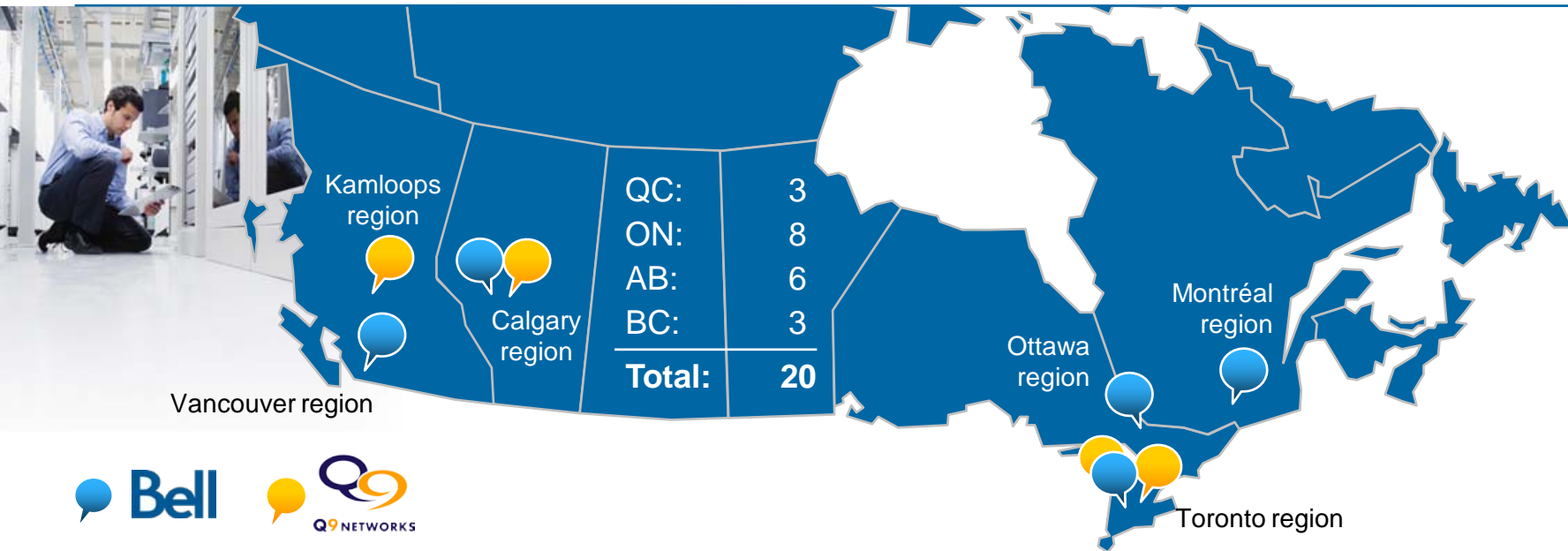
NATIONAL BANK



96 of the top 100 Canadian companies leverage Bell's leading-edge networks and technology



Data hosting and cloud computing leader



With 20 data centres, Bell now has the largest data hosting footprint in Canada

Better TV with Fibe

- The best On Demand experience including the most HD content
- Apps like Facebook, Twitter and TSN Xtra on your TV
- Faster channel changes
- Record 4 shows at once with just one PVR
- **Coming soon:** Wireless TV!



BCE surpassed 2.3 million TV customers in Q1 2013

New unlimited Internet

Just \$10 a month
more with a Bell
triple bundle

- 4 out of 5 Fibe TV
customers take 3
Bell products



4

Expand Media Leadership



CTV/Bell Media acquisition

STRATEGIC RATIONALE

BellMedia

- A growth opportunity ✓
- Accelerates 4-screen distribution platform ✓
- Extends leadership in mobile video ✓
- Hedge against increased program costs ✓
- Levels playing field with integrated cablecos ✓
- Shareholder value accretive ✓



Bell Media has dramatically outperformed expectations

Bell

Uniting Astral and Bell Media

- Astral is a leader in Québec content
- Levels playing field with Québecor / Vidéotron
- Adds ~\$800M of revenue
- Improves growth revenue mix for Bell



Anticipated close Summer 2013 pending CRTC approval




5

Improve
Customer Service



Great progress on installation and repair

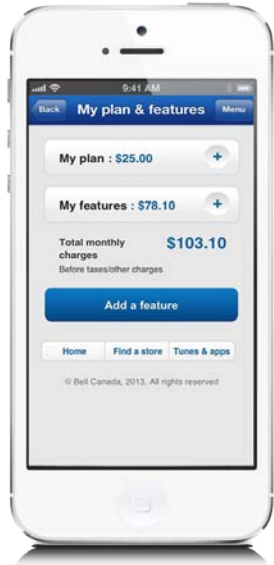
	BEFORE...	... AND NOW
Same Day/Next Day repair service	<70%	>94%
On time	80%	>98%
Internet provisioning offering	8 days	2 days
Inside support wait time	up to 45 minutes	2 minutes
Branding	Limited	Branded trucks and clothing



Customer satisfaction with technicians is 92%

Self-serve options on mobile

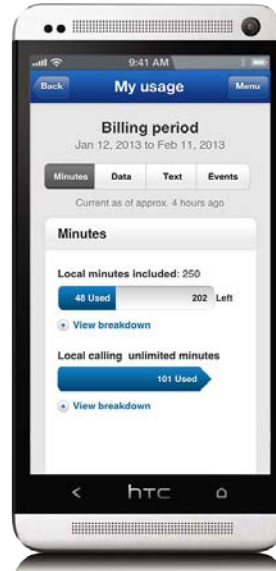
Check rate plan



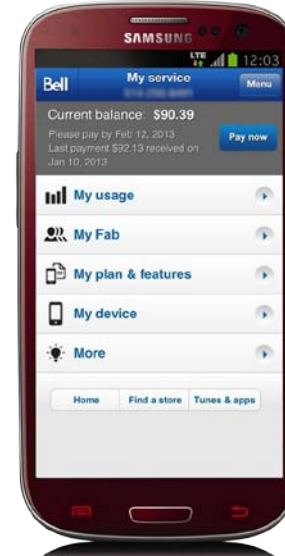
Add features



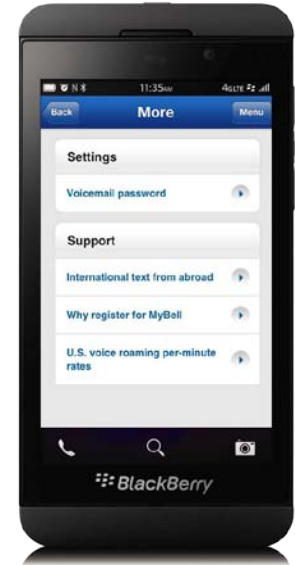
Track usage



Make payments



Get help



6.1 Million mobile self-serve transactions since launch



Significant customer satisfaction improvement

- Bell has improved on all major industry customer service surveys
- **48%** gain on Forrester¹ survey score since 2010



Investments increasing customer satisfaction and lowering churn

¹ North American Technographics® Telecom and Devices Online Survey, Q4 2010 and 2012 (Canada), Forrester Research, Inc.

6

Achieve a Competitive
Cost Structure



Cost savings reinvested in strategic growth



\$1.5 Billion in
cost reductions

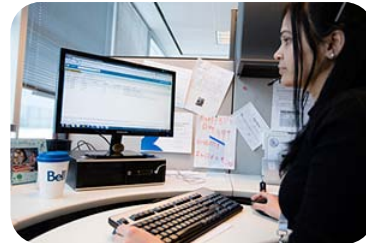
Reinvested in strategic growth



Significant cost reductions

More than \$170 Million in additional savings in 2013

- Streamlined dispatch and install processes
- Minimized warehouse costs
- Reduced payments to other carriers
- Trimmed vendor fees
- Energy, print and postage



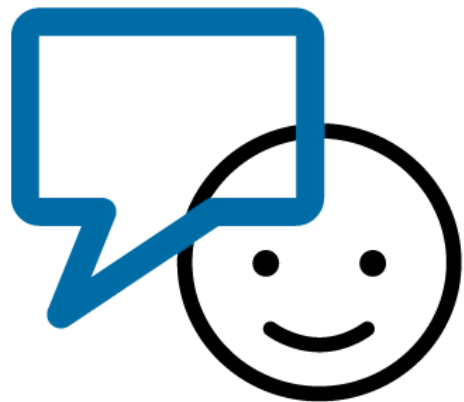
Bell's 6 Strategic Imperatives
are driving significant
shareholder returns

Strategy is rewarding shareholders

TOTAL SHAREHOLDER RETURNS
May 7, 2009 – May 8, 2013



Bell



Bell
Let's Talk

Bell Let's Talk mental health initiative

1

Anti-stigma



2

Care and Access



3

Workplace Health



4

Research



Bell has committed more than \$62 Million to mental health

Millions invested in every region of Canada



Bell Let's Talk Day 2013 a great success

Biggest day ever for mental health

96,266,266 LD calls, texts, tweets and Facebook shares

\$4,813,313.30 more donated to mental health programs





Clara's Big Ride

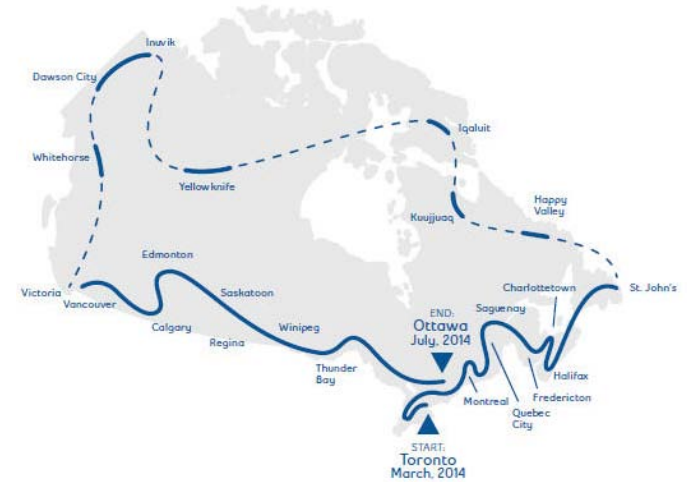


Bell
Let's Talk

Clara Hughes is calling on you to support mental health in your community.

Clara's Big Ride

- An inspiring journey that expands the conversation on mental health
- Unites Canadians coast to coast to coast
- Follow Clara starting March 2014



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