



NOTICE OF DIVIDEND RATE

BCE Inc. will, on March 1, 2008, continue to have Cumulative Redeemable First Preferred Shares, Series AC (“Series AC Preferred Shares”) outstanding if holders of at least 2.5 million of its Series AC Preferred Shares elect not to convert such shares into Cumulative Redeemable First Preferred Shares, Series AD (“Series AD Preferred Shares”) by February 20, 2008. **In such a case, as of March 1, 2008, the Series AC Preferred Shares will pay, on a quarterly basis, as and when declared by the Board of Directors of BCE Inc., a fixed cash dividend of \$0.2875 based on an annual dividend rate of 4.60% for the five-year period beginning on March 1, 2008.**

Under and subject to the terms and conditions of the Definitive Agreement entered into by BCE Inc. in connection with its acquisition by an investor group led by Teachers’ Private Capital, the private investment arm of the Ontario Teachers’ Pension Plan, Providence Equity Partners Inc., Madison Dearborn Partners, LLC and Merrill Lynch Global Partners, Inc., the purchaser has agreed to purchase all outstanding Series AC Preferred Shares for a price of \$25.76 per share, together with accrued but unpaid dividends to the Effective Date (as such term is defined in the Definitive Agreement). The purchaser has also agreed, on and subject to the terms and conditions of the Definitive Agreement, to purchase any Series AD Preferred Shares that might be issued by BCE Inc. on the conversion of the Series AC Preferred Shares for a price of \$25.50 per share, together with accrued but unpaid dividends to the Effective Date. The Board of BCE Inc. has received opinions as to the fairness, from a financial point of view, of the consideration to be paid for the preferred shares from BCE Inc.’s financial advisors.