

Q3 2004 Results

November 3, 2004

Michael J. Sabia
President & CEO

Siim Vanaselja
Chief Financial Officer



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Certain statements made in the attached presentation are forward-looking statements and are subject to important risks, uncertainties and assumptions. The results or events predicted in these statements may differ materially from actual results or events. The forward-looking statements in the attached presentation address, among others and without limitation, the following subjects: financial outlook with respect to revenues, earnings per share, free cash flow and capital intensity; the opportunities (including anticipated reductions in expenses) expected from, and Bell Canada's plans for migration to, IP technology; our expected annual savings relating to Bell Canada's recent employee voluntary departure program; and generally, the benefits and growth opportunities expected to result from the strategies, plans and priorities of BCE Inc. and its subsidiaries (collectively "BCE"). Certain of the risk factors which could cause results or events to differ materially from current expectations are discussed in the next paragraph. The forward-looking statements made in the attached presentation do not reflect the potential impact of any special items or of any dispositions, monetizations, mergers, acquisitions, other business combinations or other transactions that may be announced or that may occur after November 3, 2004. The forward-looking statements contained in the attached presentation represent the expectations of BCE as of November 3, 2004 and, accordingly, are subject to change after such date. However, BCE disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Other factors that could cause results or events to differ materially from current expectations include, among other things: our ability to complete within our targeted timeframe, and the impact on our financial results of, the migration of our multiple service-specific networks to a single IP-based network; our ability to implement our strategies and plans in order to produce the expected benefits and growth prospects, including meeting targets for revenue, earnings per share, free cash flow and capital intensity; general economic and market conditions and the level of consumer confidence and spending, and the demand for, and prices of, our products and services; the intensity of competitive activity from both traditional and new competitors, Canadian or foreign, including cross-platform competition, which is increasing following the introduction of new technologies such as Voice over Internet Protocol (VoIP) which have reduced barriers to entry that existed in the industry, and its resulting impact on the ability to retain existing, and attract new, customers, and on pricing strategies and financial results; the ability to improve productivity and contain capital intensity while maintaining quality of services; the ability to anticipate, and respond to, changes in technology, industry standards and client needs and migrate to and deploy new technologies, including VoIP, and offer new products and services rapidly and achieve market acceptance thereof; the availability and cost of capital required to implement our financing plans and fund capital and other expenditures; our ability to retain major customers; our ability to find suitable companies to acquire or to partner with; the impact of pending or future litigation and of adverse changes in laws or regulations, including tax laws, or in how they are interpreted, or of adverse regulatory initiatives or proceedings, including decisions by the Canadian Radio-television and Telecommunications Commission (CRTC) affecting our ability to compete effectively, including, more specifically, decisions concerning the regulation of VoIP services; the risk of litigation should BCE stop funding a subsidiary or change the nature of its investment, or dispose of all or part of its interest, in a subsidiary; the risk of increased pension plan contributions resulting from Bell Canada's recent early retirement program and from the risk of low returns on pension plan assets; our ability to manage effectively labour relations, negotiate satisfactory labour agreements, including new agreements replacing expired labour agreements, while avoiding work stoppages, and maintain service to customers and minimize disruptions during strikes and other work stoppages; events affecting the functionality of our networks or of the networks of other telecommunications carriers on which we rely to provide our services; stock market volatility; our ability to increase the number of customers who buy multiple products; our ability to implement the significant changes in processes, in how we approach our markets, and in products and services, required by our strategic direction; Canadian government action in respect of the foreign ownership restrictions that apply to telecommunications carriers and to broadcasting distribution undertakings; the risk that the amount of the expected annual savings relating to Bell Canada's recent employee voluntary departure program will be lower than anticipated due to various factors including the incurrence of outsourcing, replacement and other costs; and launch and in-orbit risks, including the ability to obtain appropriate insurance coverage at favourable rates, concerning Telesat's satellites, certain of which are used by Bell ExpressVu to provide services.

For additional information with respect to certain of these and other factors, please refer to BCE Inc.'s 2004 First Quarter Shareholder Report dated May 4, 2004, as updated in BCE Inc.'s 2004 Second Quarter Shareholder Report dated August 4, 2004 and in BCE Inc.'s 2004 Third Quarter Shareholder Report dated November 2, 2004, all filed by BCE Inc. with the Canadian Securities Commissions (available on BCE Inc.'s site at www.bce.ca and on SEDAR at www.sedar.com) and with the U.S. Securities and Exchange Commission under Form 6-K (available on EDGAR at www.sec.gov).

The term "EBITDA" (earnings before interest, taxes, depreciation and amortization) used in the attached presentation does not have any standardized meaning prescribed by Canadian GAAP and is therefore unlikely to be comparable to similar measures presented by other companies. Refer to BCE Inc.'s 2004 Third Quarter Shareholder Report dated November 2, 2004 for more details on EBITDA including a reconciliation of BCE Inc.'s and Bell Canada's EBITDA to operating income.

The term "free cash flow" used in the attached presentation does not have any standardized meaning prescribed by Canadian GAAP and is therefore unlikely to be comparable to similar measures presented by other companies. Refer to BCE Inc.'s 2004 Third Quarter Shareholder Report dated November 2, 2004 for more details on free cash flow including a reconciliation of BCE Inc.'s free cash flow to cash from operating activities.

Q3: Continued Progress on Many Fronts

Advanced Strategic Initiatives

- ▶ Broadband home: bundles ramping up; video and DSL growth
- ▶ Mobility billing platform – invoicing caught up
 - Subscribers up 11.5%
- ▶ IP: VAS services growth in Business, core traffic at 60%

Delivered Solid Operating Performance

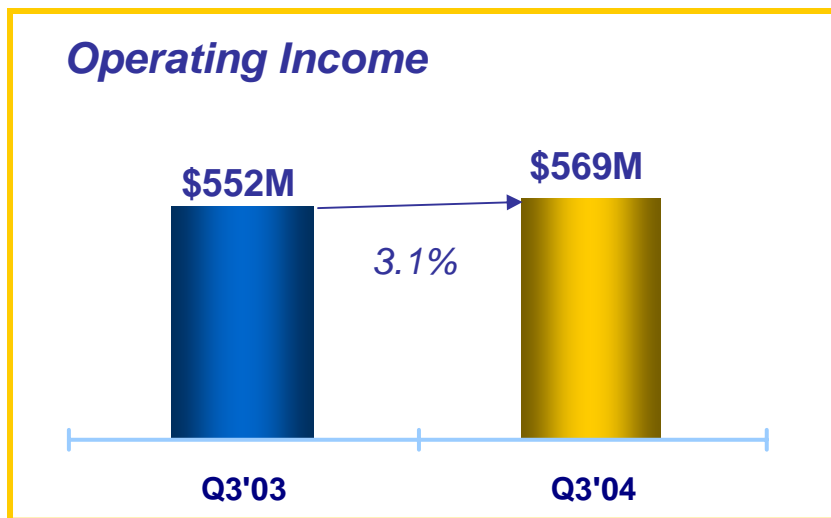
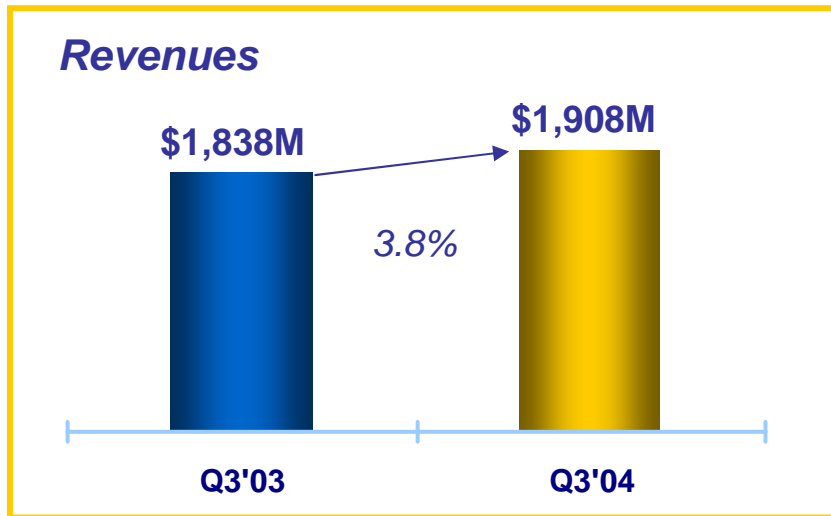
- ▶ Revenue growth rate continued to increase
- ▶ EBITDA growth 4% before Aliant strike impact

Laid the Foundation for 2005

- ▶ New labour agreement at both Bell and Aliant
- ▶ Significant take-up of employee departure programs

Building operating momentum
8% growth EPS⁽¹⁾

"Power of One" Fuelling Growth in Consumer



▶ Bundles ramping-up, supporting growth

- 114K subscriptions in Q3 – almost 70% more than Q2
- Reaching 313K since inception
 - 115K LD Bundles
- Customers taking at least one new product stable at 43%
 - And improving in September

▶ Growth engines driving 3.8% revenue lift – offsetting pressures in traditional wireline

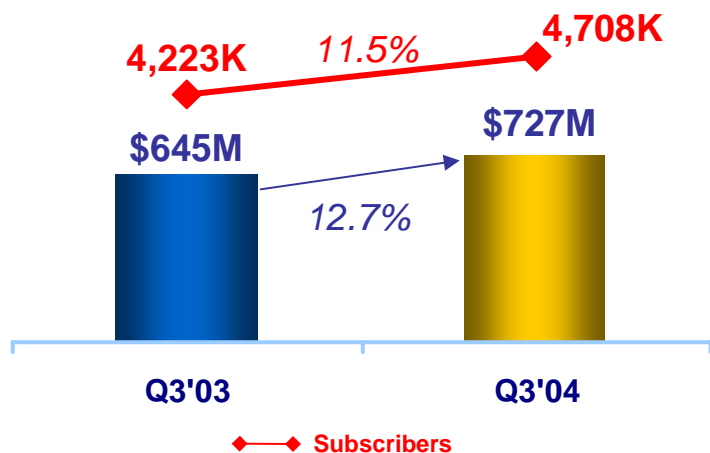
- Line losses relatively stable with modest improvement in y/y trend
- LD erosion continues as expected

▶ Continued improvement in operating income – a 3.1% increase

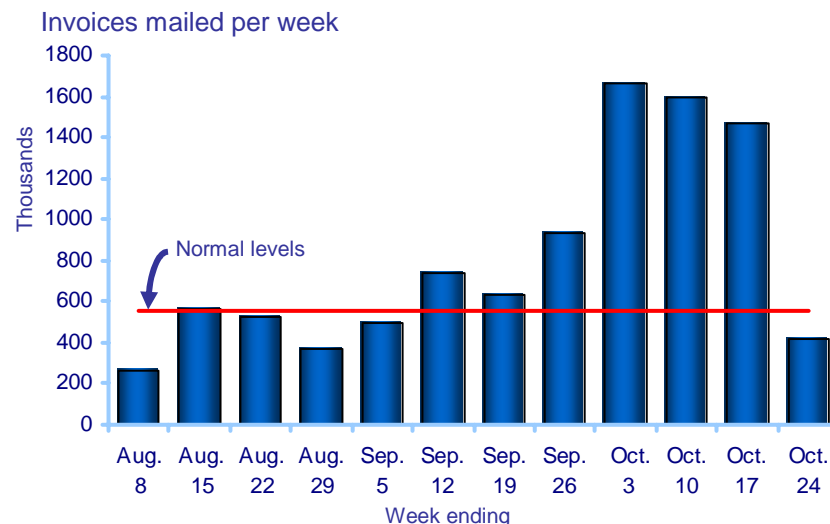
- Productivity continues to fuel improvement
- Growth rate partially reduced due to strong Q3'03
 - Ontario power outage
 - Improvement in settlement rates

Mobility: Growing Earnings While Retooling

Wireless Revenues and Subscribers



Invoicing Now Caught Up

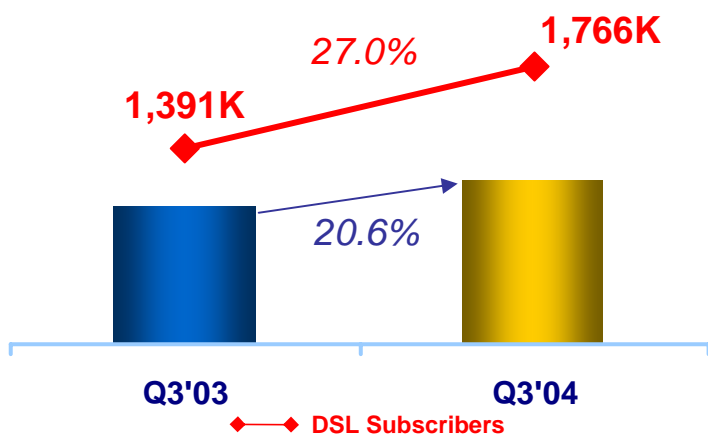


- ▶ Achieved record wireless EBITDA margin of 45.4%
 - EBITDA increased 33% to \$334M
- ▶ Solid Q3 net adds of 109K
- ▶ Improved industry leading churn to 1.2%
 - 1.0% on post-paid
- ▶ Disciplined promotions reduced COA 10% to \$381

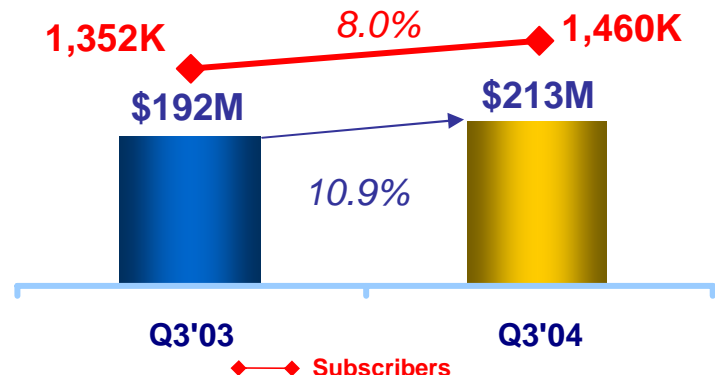
- ▶ Billing migration progressing as expected
- ▶ Invoicing now fully up to date with over 6 million bills sent in 5-week period
 - More than 3 times normal volumes
- ▶ Call volumes passed the peak
 - Customer service and collections to be normalized by year end

DSL & Video: Winning the Broadband Home

ISP Revenues and DSL Subscribers



Video Revenues and Subscribers



▶ **DSL penetration continues to increase**

- DSL subscriber base up 27% y/y with 96K net adds in Q3

▶ **VAS services sales more than doubling**

- Reaching 450K subscribers - over 25% of total DSL subscribers

▶ **Sympatico.MSN.ca performing strongly**

- Traffic forwarded to bell.ca has increased 33% since launch of portal
- Portal revenues up more than 40%
- Doubled number of companies advertising on the portal

▶ **Re-launch of ExpressVu invigorating growth**

- Simplified packages and viewing experience
- Launched set-top box rental program

▶ **Gaining momentum**

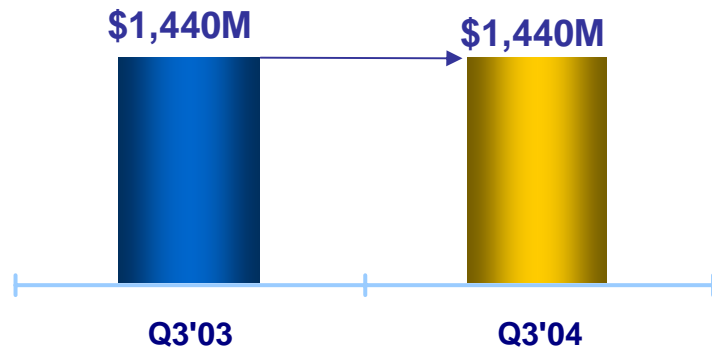
- Net adds almost doubling to 33K
- ARPU increased \$1 or 2.1% to \$48
- Churn improved significantly to 1.1%

▶ **VDSL on track**

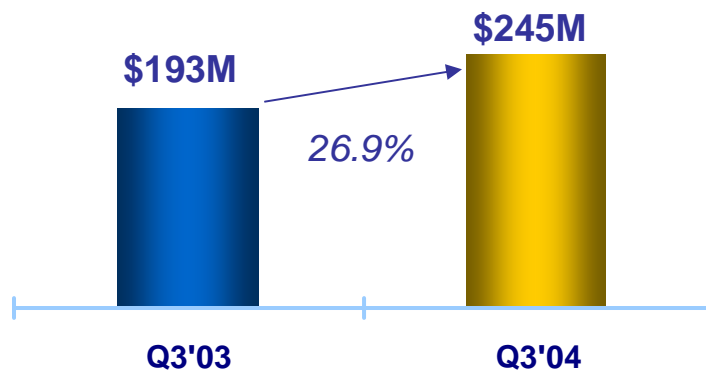
- Reached over 200 buildings
- Over 20% penetration in new buildings in Q3
- Footprint expansion impacting EBITDA

Business: Making the IP Shift – Profitably

Revenues



Operating Income



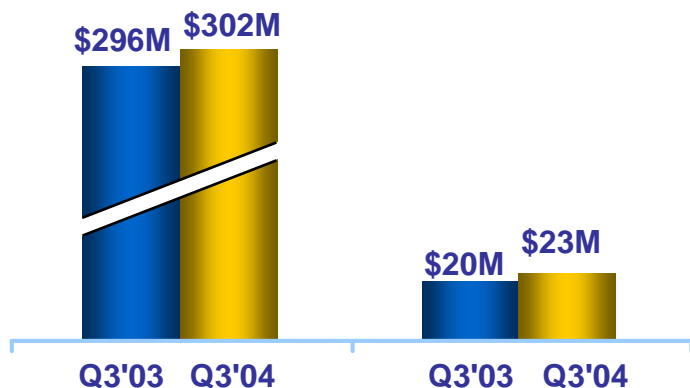
- ▶ **Revenues stable with new IP services and wireless offsetting declines in legacy**
- ▶ **Profitability focus continues to drive significant improvements**
 - Contract profitability discipline, significant SG&A savings and COGS control continue to improve margins
- ▶ **Enterprise: building the new services business**
 - IP connectivity services up 35%
 - 110,000 IP voice lines now installed
 - VAS sales now at over 60% of large customers - positions us strategically
- ▶ **SMB: Virtual CIO progressing**
 - New cross-sell opportunities driving immediate rapid growth at new acquisitions
 - Launched enhanced Business High-Speed Internet and ProConnect
 - Announced dedicated SMB IP Innovation Centre
 - Sales of 23K VAS in Q3 – close to double the whole of 2003

BGM and Telesat: Solid Performance

Bell Globemedia

Revenues
↑ 2.0%

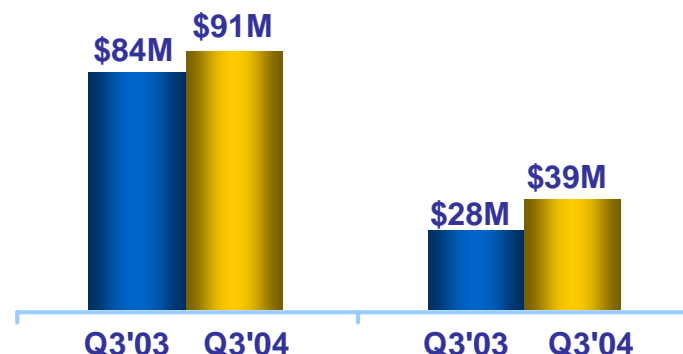
Operating Income
↑ 15.0%



Telesat

Revenues
↑ 8.3%

Operating Income
↑ 39.3%



- ▶ **TV advertising grew 5% as CTV continued to lead the ratings**
 - 17 of Top 20 Summer shows
 - 15 of Top 20 Fall shows
- ▶ **Operating income growth through continued focus on cost management**

- ▶ **Anik F2 in service as of October 1st**
 - Largest ever commercial communications satellite
- ▶ **Strong operating income growth**
 - Cost management initiatives
 - Higher Infosat and international consulting revenues

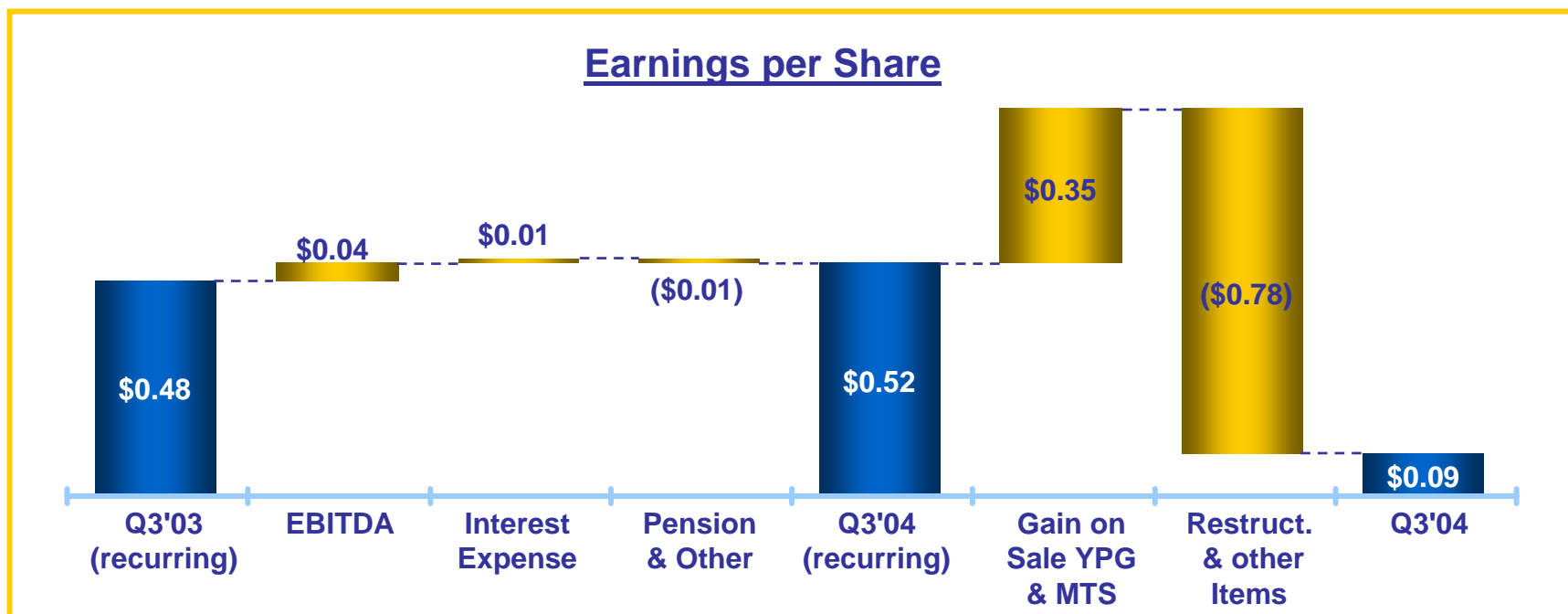
Financial Review

\$M	BCE			BELL		
	Q3'04	Y/Y	Excl. Aliant Strike	Q3'04	Y/Y	Excl. Aliant Strike
Revenues	\$4,781	3.3%	3.7%	\$4,206	1.2%	1.6%
EBITDA	\$1,936	2.2%	4.1%	\$1,856	2.1%	4.2%
EBITDA Margin	40.5%	(0.5 pts)	0.1 pts	44.1%	0.4 pts	1.1 pts

- ▶ **Steady improvement in revenue growth performance in 2004 – 3rd quarter in a row at both Bell and BCE**
- ▶ **Aliant strike impacted⁽¹⁾ growth rates at both Bell and BCE**
 - Revenue growth rates would have been 0.4 pts higher
 - EBITDA growth would have exceeded 4%
- ▶ **Higher EPS⁽²⁾ of \$0.52 marks a Return On Equity⁽²⁾ of 15.6% for the quarter**

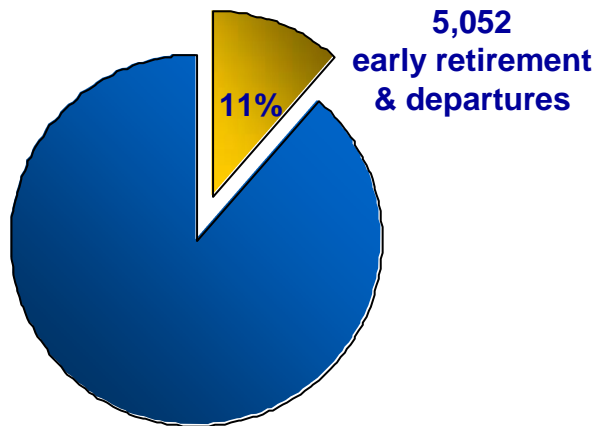
Earnings Show Strong Operating Performance

- ▶ **Underlying solid business unit performance added 8% or \$0.04 to EPS**
 - Consumer and Business delivering strong bottom-line performance
 - Wholesale revenue trajectory continues improvement with EBITDA increases y/y
- ▶ **Net gains, restructuring and other items included in results:**
 - \$325M gain on disposal of MTS shares and Yellow Pages
 - \$725M after tax restructuring charge principally relating to employee departure program

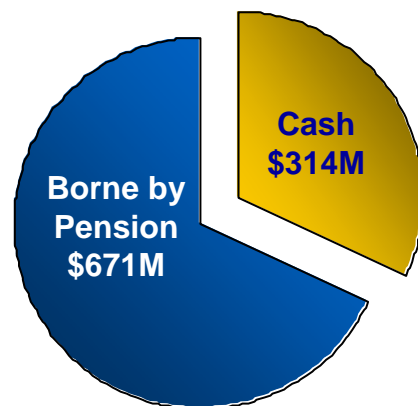


Employee Departure Program – A Foundation for 2005

Bell Canada Employees



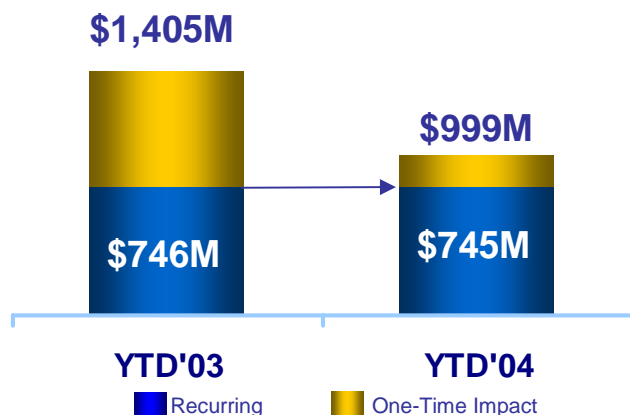
Departure Program Costs



- ▶ **Over 5,000 employees will be leaving the company**
 - Early Retirement offered to 7,000 employees – 3,965 have accepted
 - Departure Plan accepted by 1,087 employees
- ▶ **Accelerator for achieving Galileo savings and migrating to new operating model**
 - Transition plans in place to manage operations and service levels
- ▶ **Anticipate annual savings of \$390M**
 - Cash costs of \$314 to be paid largely in 2005 – Cash payback <1 year
 - Expect reduction to pension plan surplus

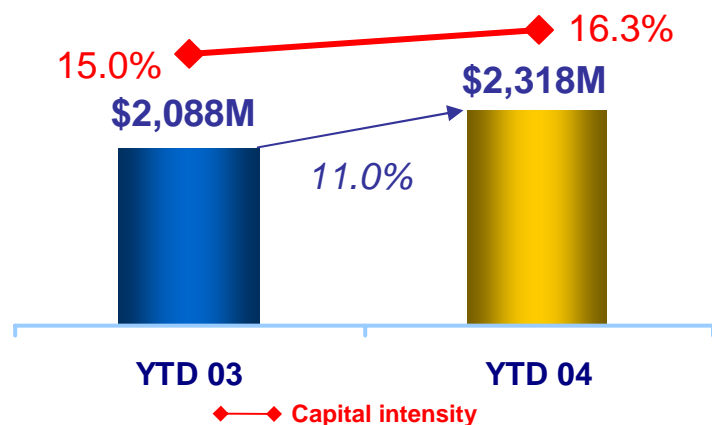
Free Cash Flow – Target Achieved

Free Cash Flow ⁽¹⁾



(1) After Capex and dividends

Capex



- ▶ **Achieved \$999M in Free Cash Flow YTD – essentially our 2004 target**
 - Despite wireless billing delays
 - Accounts receivable to return to normal levels by year-end
 - Expect neutral cash flow in Q4
- ▶ **Capex rate as planned**
 - 17% capital intensity in quarter – similar to last year
 - Continued investment in strategic initiatives
 - Driving roll-out of DSL, VDSL and national IP-MPLS network
- ▶ **Net debt reduced to 42.1%**
 - Improvement of 1.9 pts from end of last year

Outlook: Staying the Course

- ▶ **Drive strategic priorities and lay groundwork for 2005**
 - Continue growth in customer acquisitions and bundle sales
 - Complete capex program, including some catch-up at Aliant
 - Complete billing migration and receivables normalization
- ▶ **Deliver 2004 financial performance**
 - Continue to improve revenue growth rates
 - Achieve guidance despite expected higher customer acquisition expenses in Q4

2004 Financial Outlook

Revenues	Growth comparable to 2003 ⁽¹⁾
EPS	Mid to high single digit growth ⁽²⁾
Free Cash Flow	Approximately \$1B mainly from recurring sources
Bell Capital Intensity	17–18% level

(1) 2003 growth excluding the results of our Directories business sold in November 2002 and the impact of the May 2002 Price Cap decision

(2) Excluding any net investment gains/losses, impairment charges or restructuring and other items



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Bell Canada
Enterprises