Q1 2016 Results Conference Call

April 28, 2016

Bell

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The terms "adjusted EBITDA", "adjusted EBITDA margin", "free cash flow", "free cash flow per share" and "adjusted EPS" are non-GAAP financial measures and do not have any standardized meaning under IFRS. Therefore, they are unlikely to be comparable to similar measures presented by other issuers. Refer to the section "Notes" in BCE's news release dated April 28, 2016 for more details.

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George Cope

President & Chief Executive Officer

Q1 overview

- ✓ Total service revenue growth of 1.3% and disciplined cost management delivered 3.3% increase in BCE EBITDA and 1.0 point expansion in margin to 41.0%
- ✓ Largest market share of broadband customer growth across all growth services in Q1 with 93k total combined wireless postpaid, IPTV and Internet net subscriber additions
- ✓ Excellent Wireless financial results with 5.3% higher service revenue and 6.9% growth in EBITDA driving 0.7 point increase in service margin to 48.2%
- ✓ Wireline EBITDA growth of 1.3% positive for a 7^{th} consecutive quarter as 3.4% decline in operating costs yields a 1.1 point increase in industry-leading margin to 42.1%
- ✓ Media EBITDA up 2.8% on 2.1% growth in revenue and workforce restructuring savings
- ✓ Continued service progress driving lower customer churn and lower operating costs

Strong operational execution and cost discipline at all 3 Bell segments delivered positive adjusted EBITDA and free cash flow growth in Q1

Wireless operating metrics

	Q1'16	Y/Y
Postpaid gross additions	**275k**	(1.3%)
Postpaid net additions	**26k**	(27.0%)
Postpaid churn rate	**1.15%**	**0.03 pts**
Blended ARPU	**$63.02**	**3.6%**
COA (per gross addition)	**$494**	(9.3%)
Retention (% of service revenue)	**11.8%**	(0.3 pts)
Smartphones[1] (% of postpaid base)	**82%**	5 pts
Postpaid subscribers on LTE	**73%**	21 pts
4G LTE coverage (% of population)	**96%**	5 pts
LTE-A coverage (% of population)	**49%**	n.a.

(1) Starting Q1'16, calculation includes customer owned and maintained smartphones

- **Postpaid net adds of 26k**
- **Postpaid churn down on improved customer service metrics**
- **Sustained strong ARPU growth of 3.6%**
  - 73% of postpaid subscribers now on LTE
  - Higher mix of smartphone users on 2-year contracts
- **COA up 9.3% on increased postpaid mix and higher handset prices due to weak dollar**
- **Retention spending held relatively stable y/y at 11.8% of service revenue**
- **LTE-A now available to 49% of Canadians**
  - Expanding coverage to 75% of population by YE2016
  - Speeds of up to 335 Mbps (average 25 to 100 Mbps)

Growing base of LTE postpaid customers and price discipline driving continued industry-leading wireless ARPU and service margin growth

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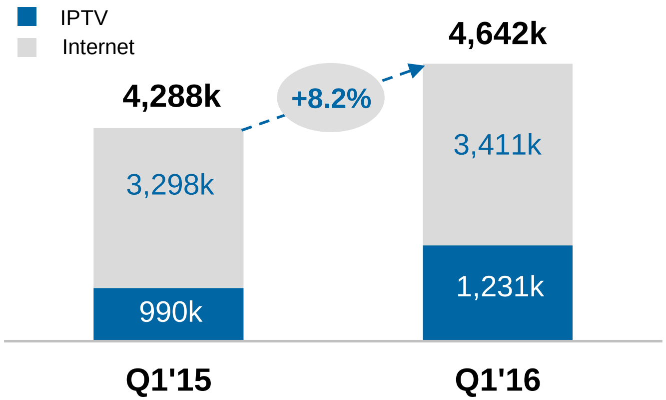
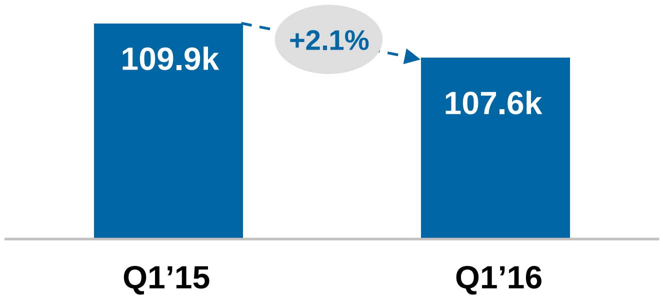
Wireline subscriber metrics

Internet and IPTV subscribers (EOP)



Total NAS net losses

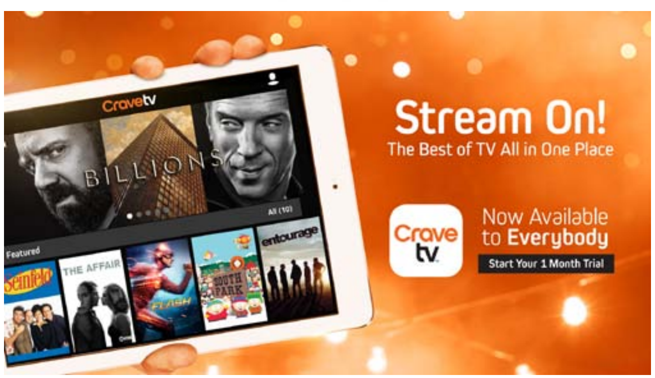


- **Broadband leader in Canada with more than 4.6M total Internet and IPTV subscribers, up 8.2% y/y**
- **20k total Internet net adds**
  - Wholesale net adds lower y/y
  - Rich cable Internet and bundle offers not widely matched
  - Residential ARPU up ~10%; churn rate down y/y
- **48k IPTV net adds**
  - Minimal new footprint expansion and growing maturity of tenured markets moderating y/y net adds
- **Total TV net adds of 20k in wireline footprint**
- **Satellite TV net loss relatively stable vs. Q4’15**
  - 38k net loss in Q1’16, up 4k y/y, due to targeted cable conversion offers in non-IPTV areas
- **Total NAS net losses improve 2.1% y/y**
- **Speed testing shows FTTH outperforms all other wireline technologies, including cable[(1)]**

[(1)] CRTC Internet Performance Report (March 2016)

Building on broadband leadership in Q1 with 68k IPTV and Internet net adds, while maintaining price discipline and growing household ARPU

Bell Media



- **Strong contribution to BCE's overall consolidated financial results in Q1**
- **Continued leading TV audience levels and ratings**
  - CTV claimed 14 of top 20 programs in winter season and 8 of top 10 spots in new spring season
  - 4 of top 10 entertainment specialty TV services in primetime, including #1 Discovery
- **TSN and RDS are Canada's most-watched English-language and French-language sports networks and specialty channels in Q1**
- **TMN becomes national pay TV service with launch in western Canada on March 1st**
- **Leadership in 4K production and broadcasting**
  - TSN was first broadcaster to produce a live 4K Ultra HD broadcast with Toronto Raptors game on January 20th
  - First media company in North America to broadcast an awards show (The 2016 JUNO Awards) in 4K
  - 4K Ultra HD live coverage of The Masters
- **More than 100k direct-to-consumer CraveTV customers in first 90 days of launch**

Market-leading assets and focused operational execution delivered positive revenue, adjusted EBITDA and cash flow growth in Q1

Continued service progress

Calls handled
Down 14% in Q1

Bell Self-Serve
30M visits & transactions in Q1, up 11%

Customer complaints*
Down 16% y/y

Residential assurance
Down 29% in Q1

CRTC Internet Performance Report (Mar’16)
FTTH provides best Internet service available in Canada

Residential churn
Fibe TV: down 14 bps in Q1
Internet: down 8 bps in Q1

Wireless postpaid churn
Down 3 bps in Q1

Fastest mobile network among top 3 providers
OpenSignal (Jan’16)
RootMetrics (Dec’15)
PCMag annual review (Sept’15)

Better service metrics driving reduced operating costs and improved churn

*Based on data collected by the Commissioner for Complaints for Telecommunications Services (CCTS) between Aug. 1, 2015 and Jan. 31, 2016

Glen LeBlanc

EVP & Chief Financial Officer

Bell

Q1 financial review

($M) except per share data	Q1'16	Y/Y
Revenue	**5,270**	**0.6%**
Service	4,908	1.3%
Product	362	(8.0%)
Adjusted EBITDA	**2,163**	**3.3%**
Margin	41.0%	1.0 pts
Statutory EPS	**0.82**	**30.2%**
Adjusted EPS(1)	**0.85**	**1.2%**
Capex	**852**	**(3.0%)**
Capital Intensity	16.2%	(0.4 pts)
Free cash flow(2)	**418**	**81.0%**
Free cash flow per share	**0.48**	**77.8%**

(1) Before severance, acquisition and other costs, net (gains) losses on investments and early debt redemption costs

(2) Before BCE common share dividends and voluntary pension contributions

- **Service revenue up 1.3% on solid Wireless, Wireline Residential and Media growth**
  - $31M y/y decrease in product revenue reflected lower average wireless handset prices and reduced wireline business data equipment sales
- **Adjusted EBITDA up 3.3%, driven by positive y/y growth for all Bell operating segments**
  - Strong service revenue flow-through to EBITDA of 112% yields 1.0 point y/y increase in margin to 41.0%
- **Adjusted EPS of $0.85, up 1.2% y/y**
  - Q1'15 statutory EPS negatively impacted by one-time charge for litigation on satellite TV signal piracy
- **3.0% increase in capex in line with higher planned spending in 2016 on FTTP, wireless LTE and data capacity growth**
- **Q1 free cash flow of $418M on track with plan**
  - All Bell segments contributed positively to y/y growth

Focused operational execution and cost discipline across all Bell segments deliver strong Q1 financials on track with 2016 guidance

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Wireless financials

($M)	Q1'16	Y/Y
Revenue	**1,693**	**3.4%**
Service	1,579	5.3%
Product	104	(18.1%)
Operating costs	**932**	**(0.8%)**
Adjusted EBITDA	**761**	**6.9%**
Margin (service revenue)	48.2%	0.7 pts
Capex	**162**	**(7.3%)**
Capital intensity	9.6%	(0.4 pts)
Adjusted EBITDA-capex	**599**	**6.8%**

- **5.3% increase in service revenue driven by higher postpaid mix and strong ARPU growth**
  - 18.1% decline in product revenue driven by intense promotional handset pricing and lower y/y volumes
- **Operating costs relatively stable y/y, despite $23M higher y/y spending on retention and COA**
- **Adjusted EBITDA growth of 6.9% and higher service margin of 48.2% underscore focus on postpaid profitability and price discipline**
- **Wireless adjusted EBITDA-capex up 6.8% y/y**
  - Investing for future growth, while maintaining an industry-best capital intensity ratio of 9.6%

Continued industry-leading financial and postpaid subscriber performance

Wireline financials

($M)	Q1'16	Y/Y
Revenue	**2,983**	**(1.5%)**
Service	2,723	(1.3%)
Product	260	(3.0%)
Operating costs	**1,726**	**3.4%**
Adjusted EBITDA	**1,257**	**1.3%**
Margin	42.1%	**1.1 pts**
Capex	**669**	**(2.0%)**
Capital intensity	22.4%	(0.7 pts)
Adjusted EBITDA-capex	**588**	**0.5%**

- **Residential Services revenue up 1.0% – 10th consecutive quarter of y/y growth**
  - Combined Internet and TV revenue growth of 6.6%
  - Overall growth moderated by competitors' aggressive promotional offers and $13M revenue loss from sale of a call centre subsidiary in Q3'15
- **Business Markets softness continues to impact overall Wireline revenue results**
  - Competitive pricing and lower spending on business service solutions and data products
- **Adjusted EBITDA up 1.3%, driving 1.1 point y/y increase in industry-best margin to 42.1%**
  - 3.4% y/y decline in costs driven by Q4 organizational restructuring and service improvement efficiencies
  - Bell Aliant synergies now expected to be ~$150M
- **Positive adjusted EBITDA-capex growth achieved in Q1 even with higher y/y investment in broadband fibre**

Residential strength and industry-leading cost structure deliver 7th consecutive quarter of positive adjusted EBITDA growth

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Media financials

($M)	Q1'16	Y/Y
Revenue	**741**	**2.1%**
Operating costs	**596**	**(1.9%)**
Adjusted EBITDA	**145**	**2.8%**
Margin	19.6%	**0.2 pts**
Capex	**21**	**(5.0%)**
Capital intensity	2.8%	0.0 pts
Adjusted EBITDA-capex	**124**	**2.5%**

- **Total revenue up 2.1% y/y**
- **Subscriber revenues up 7.0%, reflecting TMN expansion in west and CraveTV growth**
- **1.6% y/y decrease in advertising revenues in line with expectations**
  - Lower y/y spending by some key customer segments
  - Higher viewership for World Junior Hockey in Q1'15 as event was held in Canada
- **Adjusted EBITDA up 2.8% y/y**
  - Workforce restructuring savings moderated y/y growth in operating costs from higher sports rights costs and CraveTV content expansion
- **Adjusted EBITDA-capex of $124M generated in Q1, up 2.5% y/y**

Positive revenue, adjusted EBITDA and cash flow growth generated by Bell Media in Q1

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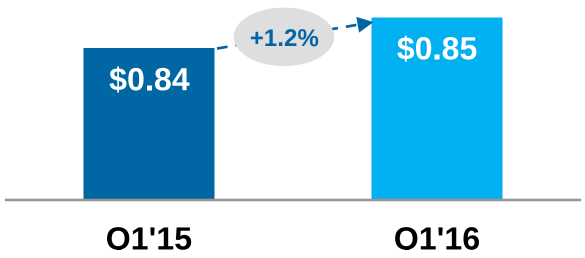
Adjusted EPS

Adjusted EPS[1]



Adjusted EPS walk down ($)	Q1'15	Q1'16
Adjusted EBITDA	**1.82**	**1.88**
Depreciation & amortization (D&A)	(0.73)	(0.77)
Net interest expense	(0.19)	(0.19)
Net pension financing cost	(0.03)	(0.02)
Tax adjustments	0.03	0.02
Preferred share dividends & NCI	(0.05)	(0.05)
Share issuance	0.00	(0.03)
Other[2]	(0.01)	0.01
Adjusted EPS	**0.84**	**0.85**

(1) Before severance, acquisition and other costs, net (gains) losses on investments and early debt redemption costs

(2) Includes equity derivative and F/X gains (losses) and equity income (losses) from minority investments

- **Positive adjusted EBITDA growth in Q1 for all segments drove 6¢ increase in adjusted EPS**
- **Increased D&A expense due to a higher capital asset base**
- **Higher discount rate and $250M voluntary contribution at YE2015 driving lower net pension financing cost in 2016**
- **Lower y/y tax adjustments**
- **Mark-to-market gain on equity derivatives offset by mark-to-market loss on U.S. dollar hedges**
  - All of 2016 and most of 2017 U.S. dollar spending has been economically hedged
- **Higher average number of shares y/y due to $863M equity issuance in Q4'15**

Adjusted EPS of $0.85 in Q1 in line with plan

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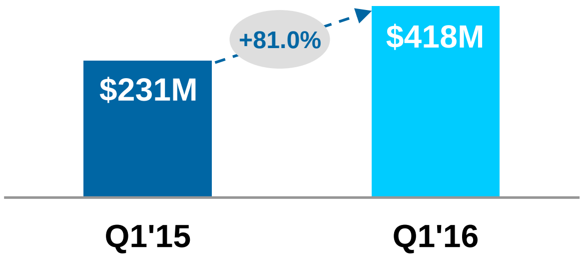
Free cash flow

FCF



FCF walkdown ($M)	Q1'15	Q1'16
Adjusted EBITDA[(1)]	2,170	2,211
Capex	(827)	(852)
Net interest paid	(224)	(219)
Cash pension	(101)	(109)
Cash taxes	(333)	(238)
Severance and other costs	(49)	(86)
Working capital & other	(366)	(241)
Preferred share & NCI dividends	(39)	(48)
FCF[(2)]	**231**	**418**

(1) Before post-employment benefit plans service cost

(2) Free cash flow before BCE common share dividends and voluntary pension contributions

- **FCF of $418M up 81.0% y/y in seasonally low Q1 on higher adjusted EBITDA and positive change in working capital position**
- **Capex reflects higher planned spending in 2016**
- **Cash taxes down y/y, due to lower final payment for 2015**
- **Higher severance payments driven by workforce restructuring initiatives undertaken in Q4'15**
- **Completed new $750M 10-year public debt offering on Feb. 29th carrying annual interest rate of 3.55%**
  - Average after-tax cost of debt improves to 3.36% with an average term to maturity of 9.6 years
  - Effectively completes 2016 re-financing requirements
- **Preferred share dividend rate reset savings enabled by low interest rate environment**

FCF generation of $418M in line with plan for Q1 and accelerating through to end of 2016

Outlook

2016 guidance	February 4	April 28
Revenue growth	**1% to 3%**	On track
Adjusted EBITDA growth	**2% to 4%**	On track
Capital intensity	**approx. 17%**	On track
Adjusted EPS(1) Growth y/y	**$3.45 to $3.55** approx. 3% to 6%	On track
Free cash flow(2) Growth y/y	**$3,125M to $3,350M** approx. 4% to 12%	On track

(1) Before severance, acquisition and other costs, net (gains) losses on investments and early debt redemption costs

(2) Before BCE common share dividends and voluntary pension contributions

Reconfirming all 2016 financial guidance targets