



# Q4

## Supplementary Financial Information

Fourth Quarter 2018

**BCE Investor Relations**

Thane Fotopoulos

514-870-4619

[thane.fotopoulos@bell.ca](mailto:thane.fotopoulos@bell.ca)

## Consolidated Operational Data

<i>(In millions of Canadian dollars, except share amounts) (unaudited)</i>	Q4 2018	Q4 2017	\$ change	% change	TOTAL 2018	TOTAL 2017	\$ change	% change
<b>Operating revenues</b>								
Service	5,231	5,152	79	1.5%	20,441	20,095	346	1.7%
Product	984	884	100	11.3%	3,027	2,662	365	13.7%
<b>Total operating revenues</b>	<b>6,215</b>	<b>6,036</b>	<b>179</b>	<b>3.0%</b>	<b>23,468</b>	<b>22,757</b>	<b>711</b>	<b>3.1%</b>
Operating costs <sup>(A)</sup>	(3,756)	(3,643)	(113)	(3.1%)	(13,667)	(13,233)	(434)	(3.3%)
Post-employment benefit plans service cost	(65)	(64)	(1)	(1.6%)	(266)	(242)	(24)	(9.9%)
<b>Adjusted EBITDA <sup>(4)</sup></b>	<b>2,394</b>	<b>2,329</b>	<b>65</b>	<b>2.8%</b>	<b>9,535</b>	<b>9,282</b>	<b>253</b>	<b>2.7%</b>
<b>Adjusted EBITDA margin <sup>(4)</sup></b>	<b>38.5%</b>	<b>38.6%</b>		<b>(0.1) pts</b>	<b>40.6%</b>	<b>40.8%</b>		<b>(0.2) pts</b>
Severance, acquisition and other costs	(58)	(47)	(11)	(23.4%)	(136)	(190)	54	28.4%
Depreciation	(799)	(783)	(16)	(2.0%)	(3,145)	(3,034)	(111)	(3.7%)
Amortization	(216)	(208)	(8)	(3.8%)	(869)	(810)	(59)	(7.3%)
Finance costs								
Interest expense	(259)	(241)	(18)	(7.5%)	(1,000)	(955)	(45)	(4.7%)
Interest on post-employment benefit obligations	(18)	(18)	-	-	(69)	(72)	3	4.2%
Other expense	(158)	(62)	(96)	n.m.	(348)	(102)	(246)	n.m.
Income taxes	(244)	(272)	28	10.3%	(995)	(1,069)	74	6.9%
<b>Net earnings</b>	<b>642</b>	<b>698</b>	<b>(56)</b>	<b>(8.0%)</b>	<b>2,973</b>	<b>3,050</b>	<b>(77)</b>	<b>(2.5%)</b>
<b>Net earnings attributable to:</b>								
Common shareholders	606	656	(50)	(7.6%)	2,785	2,866	(81)	(2.8%)
Preferred shareholders	37	34	3	8.8%	144	128	16	12.5%
Non-controlling interest	(1)	8	(9)	n.m.	44	56	(12)	(21.4%)
<b>Net earnings</b>	<b>642</b>	<b>698</b>	<b>(56)</b>	<b>(8.0%)</b>	<b>2,973</b>	<b>3,050</b>	<b>(77)</b>	<b>(2.5%)</b>
Net earnings per common share - basic	\$ 0.68	\$ 0.72	(0.04)	(5.6%)	\$ 3.10	\$ 3.20	\$ (0.10)	(3.1%)
Net earnings per common share - diluted	\$ 0.68	\$ 0.72	(0.04)	(5.6%)	\$ 3.10	\$ 3.20	\$ (0.10)	(3.1%)
<b>Dividends per common share</b>	<b>\$ 0.7550</b>	<b>\$ 0.7175</b>	<b>\$ 0.0375</b>	<b>5.2%</b>	<b>\$ 3.0200</b>	<b>\$ 2.8700</b>	<b>\$ 0.1500</b>	<b>5.2%</b>
<b>Average number of common shares outstanding - basic (millions)</b>	<b>898.1</b>	<b>900.6</b>			<b>898.6</b>	<b>894.3</b>		
<b>Average number of common shares outstanding - diluted (millions)</b>	<b>898.4</b>	<b>901.4</b>			<b>898.9</b>	<b>894.9</b>		
<b>Number of common shares outstanding (millions)</b>	<b>898.2</b>	<b>901.0</b>			<b>898.2</b>	<b>901.0</b>		
<b>Adjusted net earnings and EPS</b>								
<b>Net earnings attributable to common shareholders</b>	<b>606</b>	<b>656</b>	<b>(50)</b>	<b>(7.6%)</b>	<b>2,785</b>	<b>2,866</b>	<b>(81)</b>	<b>(2.8%)</b>
Severance, acquisition and other costs	44	34	10	29.4%	100	143	(43)	(30.1%)
Net mark-to-market (gains) losses on derivatives used to economically hedge equity settled share-based compensation plans	(25)	(29)	4	13.8%	58	(55)	113	n.m.
Net losses on investments	27	15	12	80.0%	47	29	18	62.1%
Early debt redemption costs	-	-	-	-	15	15	-	-
Impairment charges	142	60	82	n.m.	146	60	86	n.m.
<b>Adjusted net earnings <sup>(4)</sup></b>	<b>794</b>	<b>736</b>	<b>58</b>	<b>7.9%</b>	<b>3,151</b>	<b>3,058</b>	<b>93</b>	<b>3.0%</b>
<b>Impact on net earnings per share</b>	<b>\$ 0.21</b>	<b>\$ 0.10</b>	<b>\$ 0.11</b>	<b>n.m.</b>	<b>\$ 0.41</b>	<b>\$ 0.22</b>	<b>\$ 0.19</b>	<b>86.4%</b>
<b>Adjusted EPS <sup>(4)</sup></b>	<b>\$ 0.89</b>	<b>\$ 0.82</b>	<b>\$ 0.07</b>	<b>8.5%</b>	<b>\$ 3.51</b>	<b>\$ 3.42</b>	<b>\$ 0.09</b>	<b>2.6%</b>

n.m. : not meaningful

<sup>(A)</sup> Excludes post-employment benefit plans service cost

## Consolidated Operational Data - Historical Trend

	TOTAL 2018	Q4 18	Q3 18	Q2 18	Q1 18	TOTAL 2017	Q4 17	Q3 17	Q2 17	Q1 17
<i>(In millions of Canadian dollars, except share amounts) (unaudited)</i>										
<b>Operating revenues</b>										
Service	20,441	5,231	5,117	5,129	4,964	20,095	5,152	5,054	5,078	4,811
Product	3,027	984	760	657	626	2,662	884	643	610	525
<b>Total operating revenues</b>	<b>23,468</b>	<b>6,215</b>	5,877	5,786	5,590	22,757	6,036	5,697	5,688	5,336
Operating costs <sup>(A)</sup>	(13,667)	(3,756)	(3,355)	(3,293)	(3,263)	(13,233)	(3,643)	(3,228)	(3,242)	(3,120)
Post-employment benefit plans service cost	(266)	(65)	(65)	(63)	(73)	(242)	(64)	(64)	(64)	(50)
<b>Adjusted EBITDA</b>	<b>9,535</b>	<b>2,394</b>	2,457	2,430	2,254	9,282	2,329	2,405	2,382	2,166
<b>Adjusted EBITDA margin</b>	<b>40.6%</b>	<b>38.5%</b>	41.8%	42.0%	40.3%	40.8%	38.6%	42.2%	41.9%	40.6%
Severance, acquisition and other costs	(136)	(58)	(54)	(24)	-	(190)	(47)	(23)	(36)	(84)
Depreciation	(3,145)	(799)	(779)	(787)	(780)	(3,034)	(783)	(760)	(767)	(724)
Amortization	(869)	(216)	(220)	(221)	(212)	(810)	(208)	(207)	(210)	(185)
Finance costs										
Interest expense	(1,000)	(259)	(255)	(246)	(240)	(955)	(241)	(242)	(238)	(234)
Interest on post-employment benefit obligations	(69)	(18)	(17)	(17)	(17)	(72)	(18)	(18)	(18)	(18)
Other (expense) income	(348)	(158)	(41)	(88)	(61)	(102)	(62)	(56)	(1)	17
Income taxes	(995)	(244)	(224)	(292)	(235)	(1,069)	(272)	(249)	(298)	(250)
<b>Net earnings</b>	<b>2,973</b>	<b>642</b>	867	755	709	3,050	698	850	814	688
<b>Net earnings attributable to:</b>										
Common shareholders	2,785	606	814	704	661	2,866	656	803	765	642
Preferred shareholders	144	37	36	35	36	128	34	31	32	31
Non-controlling interest	44	(1)	17	16	12	56	8	16	17	15
<b>Net earnings</b>	<b>2,973</b>	<b>642</b>	867	755	709	3,050	698	850	814	688
Net earnings per common share - basic	\$ 3.10	\$ 0.68	\$ 0.90	\$ 0.79	\$ 0.73	\$ 3.20	\$ 0.72	\$ 0.90	\$ 0.85	\$ 0.73
Net earnings per common share - diluted	\$ 3.10	\$ 0.68	\$ 0.90	\$ 0.79	\$ 0.73	\$ 3.20	\$ 0.72	\$ 0.90	\$ 0.85	\$ 0.73
<b>Dividends per common share</b>	<b>\$ 3.0200</b>	<b>\$ 0.7550</b>	\$ 0.7550	\$ 0.7550	\$ 0.7550	\$ 2.8700	\$ 0.7175	\$ 0.7175	\$ 0.7175	\$ 0.7175
<b>Average number of common shares outstanding - basic (millions)</b>	<b>898.6</b>	<b>898.1</b>	898.0	898.0	900.2	894.3	900.6	900.4	900.1	875.7
<b>Average number of common shares outstanding - diluted (millions)</b>	<b>898.9</b>	<b>898.4</b>	898.3	898.3	900.6	894.9	901.4	901.1	901.0	876.6
<b>Number of common shares outstanding (millions)</b>	<b>898.2</b>	<b>898.2</b>	898.0	898.0	898.0	901.0	901.0	900.4	900.4	899.5
<b>Adjusted net earnings and EPS</b>										
<b>Net earnings attributable to common shareholders</b>	<b>2,785</b>	<b>606</b>	814	704	661	2,866	656	803	765	642
Severance, acquisition and other costs	100	44	39	18	(1)	143	34	17	27	65
Net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans	58	(25)	5	22	56	(55)	(29)	(8)	-	(18)
Net losses on investments	47	27	-	20	-	29	15	-	-	14
Early debt redemption costs	15	-	2	13	-	15	-	12	3	-
Impairment charges	146	142	1	-	3	60	60	-	-	-
<b>Adjusted net earnings</b>	<b>3,151</b>	<b>794</b>	861	777	719	3,058	736	824	795	703
<b>Impact on net earnings per share</b>	<b>\$ 0.41</b>	<b>\$ 0.21</b>	\$ 0.06	\$ 0.07	\$ 0.07	\$ 0.22	\$ 0.10	\$ 0.01	\$ 0.04	\$ 0.07
<b>Adjusted EPS</b>	<b>\$ 3.51</b>	<b>\$ 0.89</b>	\$ 0.96	\$ 0.86	\$ 0.80	\$ 3.42	\$ 0.82	\$ 0.91	\$ 0.89	\$ 0.80

<sup>(A)</sup> Excludes post-employment benefit plans service cost

**BCE**  
**Segmented Data**

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	<b>Q4 2018</b>	Q4 2017	\$ change	% change	<b>TOTAL 2018</b>	TOTAL 2017	\$ change	% change
<b>Operating revenues</b>								
Bell Wireless	2,248	2,149	99	4.6%	8,422	7,926	496	6.3%
Bell Wireline	3,296	3,218	78	2.4%	12,662	12,400	262	2.1%
Bell Media	850	834	16	1.9%	3,121	3,104	17	0.5%
Inter-segment eliminations	(179)	(165)	(14)	(8.5%)	(737)	(673)	(64)	(9.5%)
<b>Total</b>	<b>6,215</b>	<b>6,036</b>	<b>179</b>	<b>3.0%</b>	<b>23,468</b>	<b>22,757</b>	<b>711</b>	<b>3.1%</b>
<b>Operating costs</b>								
Bell Wireless	(1,359)	(1,303)	(56)	(4.3%)	(4,856)	(4,550)	(306)	(6.7%)
Bell Wireline	(1,967)	(1,906)	(61)	(3.2%)	(7,386)	(7,210)	(176)	(2.4%)
Bell Media	(674)	(663)	(11)	(1.7%)	(2,428)	(2,388)	(40)	(1.7%)
Inter-segment eliminations	179	165	14	8.5%	737	673	64	9.5%
<b>Total</b>	<b>(3,821)</b>	<b>(3,707)</b>	<b>(114)</b>	<b>(3.1%)</b>	<b>(13,933)</b>	<b>(13,475)</b>	<b>(458)</b>	<b>(3.4%)</b>
<b>Adjusted EBITDA</b>								
Bell Wireless	889	846	43	5.1%	3,566	3,376	190	5.6%
Margin	39.5%	39.4%		0.1 pts	42.3%	42.6%		(0.3) pts
Bell Wireline	1,329	1,312	17	1.3%	5,276	5,190	86	1.7%
Margin	40.3%	40.8%		(0.5) pts	41.7%	41.9%		(0.2) pts
Bell Media	176	171	5	2.9%	693	716	(23)	(3.2%)
Margin	20.7%	20.5%		0.2 pts	22.2%	23.1%		(0.9) pts
<b>Total</b>	<b>2,394</b>	<b>2,329</b>	<b>65</b>	<b>2.8%</b>	<b>9,535</b>	<b>9,282</b>	<b>253</b>	<b>2.7%</b>
Margin	38.5%	38.6%		(0.1) pts	40.6%	40.8%		(0.2) pts
<b>Capital expenditures</b>								
Bell Wireless	132	218	86	39.4%	656	731	75	10.3%
Capital intensity <sup>(5)</sup>	5.9%	10.1%		4.2 pts	7.8%	9.2%		1.4 pts
Bell Wireline	810	845	35	4.1%	3,201	3,174	(27)	(0.9%)
Capital intensity	24.6%	26.3%		1.7 pts	25.3%	25.6%		0.3 pts
Bell Media	32	37	5	13.5%	114	129	15	11.6%
Capital intensity	3.8%	4.4%		0.6 pts	3.7%	4.2%		0.5 pts
<b>Total</b>	<b>974</b>	<b>1,100</b>	<b>126</b>	<b>11.5%</b>	<b>3,971</b>	<b>4,034</b>	<b>63</b>	<b>1.6%</b>
Capital intensity	15.7%	18.2%		2.5 pts	16.9%	17.7%		0.8 pts

**BCE**  
**Segmented Data - Historical Trend**

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	<b>TOTAL 2018</b>	<b>Q4 18</b>	<b>Q3 18</b>	<b>Q2 18</b>	<b>Q1 18</b>	<b>TOTAL 2017</b>	<b>Q4 17</b>	<b>Q3 17</b>	<b>Q2 17</b>	<b>Q1 17</b>
<b>Operating revenues</b>										
Bell Wireless	8,422	2,248	2,182	2,046	1,946	7,926	2,149	2,061	1,949	1,767
Bell Wireline	12,662	3,296	3,147	3,135	3,084	12,400	3,218	3,088	3,117	2,977
Bell Media	3,121	850	731	791	749	3,104	834	723	796	751
Inter-segment eliminations	(737)	(179)	(183)	(186)	(189)	(673)	(165)	(175)	(174)	(159)
<b>Total</b>	<b>23,468</b>	<b>6,215</b>	<b>5,877</b>	<b>5,786</b>	<b>5,590</b>	<b>22,757</b>	<b>6,036</b>	<b>5,697</b>	<b>5,688</b>	<b>5,336</b>
<b>Operating costs</b>										
Bell Wireless	(4,856)	(1,359)	(1,231)	(1,142)	(1,124)	(4,550)	(1,303)	(1,151)	(1,098)	(998)
Bell Wireline	(7,386)	(1,967)	(1,823)	(1,814)	(1,782)	(7,210)	(1,906)	(1,780)	(1,810)	(1,714)
Bell Media	(2,428)	(674)	(549)	(586)	(619)	(2,388)	(663)	(536)	(572)	(617)
Inter-segment eliminations	737	179	183	186	189	673	165	175	174	159
<b>Total</b>	<b>(13,933)</b>	<b>(3,821)</b>	<b>(3,420)</b>	<b>(3,356)</b>	<b>(3,336)</b>	<b>(13,475)</b>	<b>(3,707)</b>	<b>(3,292)</b>	<b>(3,306)</b>	<b>(3,170)</b>
<b>Adjusted EBITDA</b>										
Bell Wireless	3,566	889	951	904	822	3,376	846	910	851	769
Margin	42.3%	39.5%	43.6%	44.2%	42.2%	42.6%	39.4%	44.2%	43.7%	43.5%
Bell Wireline	5,276	1,329	1,324	1,321	1,302	5,190	1,312	1,308	1,307	1,263
Margin	41.7%	40.3%	42.1%	42.1%	42.2%	41.9%	40.8%	42.4%	41.9%	42.4%
Bell Media	693	176	182	205	130	716	171	187	224	134
Margin	22.2%	20.7%	24.9%	25.9%	17.4%	23.1%	20.5%	25.9%	28.1%	17.8%
<b>Total</b>	<b>9,535</b>	<b>2,394</b>	<b>2,457</b>	<b>2,430</b>	<b>2,254</b>	<b>9,282</b>	<b>2,329</b>	<b>2,405</b>	<b>2,382</b>	<b>2,166</b>
Margin	40.6%	38.5%	41.8%	42.0%	40.3%	40.8%	38.6%	42.2%	41.9%	40.6%
<b>Capital expenditures</b>										
Bell Wireless	656	132	181	179	164	731	218	186	191	136
Capital intensity	7.8%	5.9%	8.3%	8.7%	8.4%	9.2%	10.1%	9.0%	9.8%	7.7%
Bell Wireline	3,201	810	799	845	747	3,174	845	820	818	691
Capital intensity	25.3%	24.6%	25.4%	27.0%	24.2%	25.6%	26.3%	26.6%	26.2%	23.2%
Bell Media	114	32	30	32	20	129	37	34	33	25
Capital intensity	3.7%	3.8%	4.1%	4.0%	2.7%	4.2%	4.4%	4.7%	4.1%	3.3%
<b>Total</b>	<b>3,971</b>	<b>974</b>	<b>1,010</b>	<b>1,056</b>	<b>931</b>	<b>4,034</b>	<b>1,100</b>	<b>1,040</b>	<b>1,042</b>	<b>852</b>
Capital intensity	16.9%	15.7%	17.2%	18.3%	16.7%	17.7%	18.2%	18.3%	18.3%	16.0%

Segmented Data - IFRS 15 Adoption Impacts<sup>(2)</sup>

	TOTAL 2017			Q4 17			Q3 17			Q2 17			Q1 17		
	As previously reported	IFRS 15 impacts	Upon adoption of IFRS 15	As previously reported	IFRS 15 impacts	Upon adoption of IFRS 15	As previously reported	IFRS 15 impacts	Upon adoption of IFRS 15	As previously reported	IFRS 15 impacts	Upon adoption of IFRS 15	As previously reported	IFRS 15 impacts	Upon adoption of IFRS 15
<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>															
<b>Operating revenues</b>															
<b>Bell Wireless</b>															
Service	7,350	(1,260)	6,090	1,894	(338)	1,556	1,913	(323)	1,590	1,828	(309)	1,519	1,715	(290)	1,425
Product	533	1,303	1,836	176	417	593	127	344	471	131	299	430	99	243	342
<b>Total Bell Wireless</b>	<b>7,883</b>	<b>43</b>	<b>7,926</b>	<b>2,070</b>	<b>79</b>	<b>2,149</b>	<b>2,040</b>	<b>21</b>	<b>2,061</b>	<b>1,959</b>	<b>(10)</b>	<b>1,949</b>	<b>1,814</b>	<b>(47)</b>	<b>1,767</b>
<b>Bell Wireline</b>	<b>12,415</b>	<b>(15)</b>	<b>12,400</b>	<b>3,222</b>	<b>(4)</b>	<b>3,218</b>	<b>3,092</b>	<b>(4)</b>	<b>3,088</b>	<b>3,121</b>	<b>(4)</b>	<b>3,117</b>	<b>2,980</b>	<b>(3)</b>	<b>2,977</b>
<b>Bell Media</b>	<b>3,104</b>	<b>-</b>	<b>3,104</b>	<b>834</b>	<b>-</b>	<b>834</b>	<b>723</b>	<b>-</b>	<b>723</b>	<b>796</b>	<b>-</b>	<b>796</b>	<b>751</b>	<b>-</b>	<b>751</b>
Inter-segment eliminations	(683)	10	(673)	(168)	3	(165)	(177)	2	(175)	(177)	3	(174)	(161)	2	(159)
<b>Total</b>	<b>22,719</b>	<b>38</b>	<b>22,757</b>	<b>5,958</b>	<b>78</b>	<b>6,036</b>	<b>5,678</b>	<b>19</b>	<b>5,697</b>	<b>5,699</b>	<b>(11)</b>	<b>5,688</b>	<b>5,384</b>	<b>(48)</b>	<b>5,336</b>
<b>Operating costs</b>															
<b>Bell Wireless</b>	(4,607)	57	(4,550)	(1,334)	31	(1,303)	(1,169)	18	(1,151)	(1,108)	10	(1,098)	(996)	(2)	(998)
<b>Bell Wireline</b>	(7,229)	19	(7,210)	(1,912)	6	(1,906)	(1,784)	4	(1,780)	(1,815)	5	(1,810)	(1,718)	4	(1,714)
<b>Bell Media</b>	(2,388)	-	(2,388)	(663)	-	(663)	(536)	-	(536)	(572)	-	(572)	(617)	-	(617)
Inter-segment eliminations	683	(10)	673	168	(3)	165	177	(2)	175	177	(3)	174	161	(2)	159
<b>Total</b>	<b>(13,541)</b>	<b>66</b>	<b>(13,475)</b>	<b>(3,741)</b>	<b>34</b>	<b>(3,707)</b>	<b>(3,312)</b>	<b>20</b>	<b>(3,292)</b>	<b>(3,318)</b>	<b>12</b>	<b>(3,306)</b>	<b>(3,170)</b>	<b>-</b>	<b>(3,170)</b>
<b>Adjusted EBITDA</b>															
<b>Bell Wireless</b>	3,276	100	3,376	736	110	846	871	39	910	851	-	851	818	(49)	769
Margin	41.6%	1.0 pts	42.6%	35.6%	3.8 pts	39.4%	42.7%	1.5 pts	44.2%	43.4%	0.3 pts	43.7%	45.1%	(1.6) pts	43.5%
<b>Bell Wireline</b>	5,186	4	5,190	1,310	2	1,312	1,308	-	1,308	1,306	1	1,307	1,262	1	1,263
Margin	41.8%	0.1 pts	41.9%	40.7%	0.1 pts	40.8%	42.3%	0.1 pts	42.4%	41.8%	0.1 pts	41.9%	42.3%	0.1 pts	42.4%
<b>Bell Media</b>	716	-	716	171	-	171	187	-	187	224	-	224	134	-	134
Margin	23.1%	-	23.1%	20.5%	-	20.5%	25.9%	-	25.9%	28.1%	-	28.1%	17.8%	-	17.8%
<b>Total</b>	<b>9,178</b>	<b>104</b>	<b>9,282</b>	<b>2,217</b>	<b>112</b>	<b>2,329</b>	<b>2,366</b>	<b>39</b>	<b>2,405</b>	<b>2,381</b>	<b>1</b>	<b>2,382</b>	<b>2,214</b>	<b>(48)</b>	<b>2,166</b>
Margin	40.4%	0.4 pts	40.8%	37.2%	1.4 pts	38.6%	41.7%	0.5 pts	42.2%	41.8%	0.1 pts	41.9%	41.1%	(0.5) pts	40.6%

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q4 2018	Q4 2017	% change	TOTAL 2018	TOTAL 2017	% change
<b>Bell Wireless</b>						
<b>Operating revenues</b>						
External service revenues	1,578	1,545	2.1%	6,258	6,048	3.5%
Inter-segment service revenues	12	11	9.1%	48	42	14.3%
<b>Total operating service revenues</b>	<b>1,590</b>	<b>1,556</b>	<b>2.2%</b>	<b>6,306</b>	<b>6,090</b>	<b>3.5%</b>
External product revenues	658	593	11.0%	2,114	1,833	15.3%
Inter-segment product revenues	-	-	-	2	3	(33.3%)
<b>Total operating product revenues</b>	<b>658</b>	<b>593</b>	<b>11.0%</b>	<b>2,116</b>	<b>1,836</b>	<b>15.3%</b>
<b>Total external revenues</b>	<b>2,236</b>	<b>2,138</b>	<b>4.6%</b>	<b>8,372</b>	<b>7,881</b>	<b>6.2%</b>
<b>Total operating revenues</b>	<b>2,248</b>	<b>2,149</b>	<b>4.6%</b>	<b>8,422</b>	<b>7,926</b>	<b>6.3%</b>
Operating costs	(1,359)	(1,303)	(4.3%)	(4,856)	(4,550)	(6.7%)
<b>Adjusted EBITDA</b>	<b>889</b>	<b>846</b>	<b>5.1%</b>	<b>3,566</b>	<b>3,376</b>	<b>5.6%</b>
<i>Adjusted EBITDA margin (Total operating revenues)</i>	<b>39.5%</b>	<b>39.4%</b>	<b>0.1 pts</b>	<b>42.3%</b>	<b>42.6%</b>	<b>(0.3 pts)</b>
Capital expenditures	132	218	39.4%	656	731	10.3%
<i>Capital intensity</i>	<b>5.9%</b>	<b>10.1%</b>	<b>4.2 pts</b>	<b>7.8%</b>	<b>9.2%</b>	<b>1.4 pts</b>
Wireless gross activations	546,203	568,555	(3.9%)	1,954,792	1,780,478	9.8%
Postpaid	447,590	505,432	(11.4%)	1,615,764	1,532,425	5.4%
Prepaid	98,613	63,123	56.2%	339,028	248,053	36.7%
Wireless net activations (losses)	143,114	158,514	(9.7%)	479,811	333,084	44.1%
Postpaid	121,780	175,204	(30.5%)	447,682	416,779	7.4%
Prepaid	21,334	(16,690)	227.8%	32,129	(83,695)	138.4%
Wireless subscribers end of period (EOP) <sup>(A)(B)</sup>	9,610,482	9,166,787	4.8%	9,610,482	9,166,787	4.8%
Postpaid <sup>(A)(B)</sup>	8,830,216	8,418,650	4.9%	8,830,216	8,418,650	4.9%
Prepaid	780,266	748,137	4.3%	780,266	748,137	4.3%
Blended average revenue per user <sup>(5)(C)</sup> (ARPU)(\$/month)	54.42	55.77	(2.4%)	55.22	55.88	(1.2%)
Blended average billing per user <sup>(5)(C)</sup> (ABPU)(\$/month)	67.46	68.27	(1.2%)	67.76	67.77	-
Churn (%) <sup>(5)</sup> (average per month)	1.41%	1.51%	0.10 pts	1.32%	1.36%	0.04 pts
Postpaid	1.26%	1.35%	0.09 pts	1.16%	1.19%	0.03 pts
Prepaid	3.18%	3.25%	0.07 pts	3.17%	3.17%	-

<sup>(A)</sup> At the beginning of Q1 2018, we adjusted our postpaid wireless subscriber base to remove 16,116 subscribers with a corresponding increase to our high-speed Internet subscribers to reflect the transfer of fixed wireless Internet subscribers.

<sup>(B)</sup> At the beginning of Q4 2018, we adjusted our postpaid wireless subscriber base to remove 20,000 subscribers that we divested to Xplornet Communications Inc. (Xplornet) as a result of BCE's acquisition of Manitoba Telecom Services Inc. (MTS).

<sup>(C)</sup> Our Q1 2018 blended ARPU and blended ABPU were adjusted to exclude the unfavourable retroactive impact of the recent CRTC decision on wholesale wireless domestic roaming rates of \$14 million.

## Bell Wireless - Historical Trend

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	TOTAL 2018	Q4 18	Q3 18	Q2 18	Q1 18	TOTAL 2017	Q4 17	Q3 17	Q2 17	Q1 17
<b>Bell Wireless</b>										
<b>Operating revenues</b>										
External service revenues	6,258	1,578	1,618	1,562	1,500	6,048	1,545	1,580	1,508	1,415
Inter-segment service revenues	48	12	12	12	12	42	11	10	11	10
<b>Total operating service revenues</b>	<b>6,306</b>	<b>1,590</b>	<b>1,630</b>	<b>1,574</b>	<b>1,512</b>	<b>6,090</b>	<b>1,556</b>	<b>1,590</b>	<b>1,519</b>	<b>1,425</b>
External product revenues	2,114	658	552	470	434	1,833	593	469	430	341
Inter-segment product revenues	2	-	-	2	-	3	-	2	-	1
<b>Total operating product revenues</b>	<b>2,116</b>	<b>658</b>	<b>552</b>	<b>472</b>	<b>434</b>	<b>1,836</b>	<b>593</b>	<b>471</b>	<b>430</b>	<b>342</b>
<b>Total external revenues</b>	<b>8,372</b>	<b>2,236</b>	<b>2,170</b>	<b>2,032</b>	<b>1,934</b>	<b>7,881</b>	<b>2,138</b>	<b>2,049</b>	<b>1,938</b>	<b>1,756</b>
<b>Total operating revenues</b>	<b>8,422</b>	<b>2,248</b>	<b>2,182</b>	<b>2,046</b>	<b>1,946</b>	<b>7,926</b>	<b>2,149</b>	<b>2,061</b>	<b>1,949</b>	<b>1,767</b>
Operating costs	(4,856)	(1,359)	(1,231)	(1,142)	(1,124)	(4,550)	(1,303)	(1,151)	(1,098)	(998)
<b>Adjusted EBITDA</b>	<b>3,566</b>	<b>889</b>	<b>951</b>	<b>904</b>	<b>822</b>	<b>3,376</b>	<b>846</b>	<b>910</b>	<b>851</b>	<b>769</b>
<i>Adjusted EBITDA margin (Total operating revenues)</i>	<b>42.3%</b>	<b>39.5%</b>	<b>43.6%</b>	<b>44.2%</b>	<b>42.2%</b>	<b>42.6%</b>	<b>39.4%</b>	<b>44.2%</b>	<b>43.7%</b>	<b>43.5%</b>
Capital expenditures	656	132	181	179	164	731	218	186	191	136
<i>Capital intensity</i>	<b>7.8%</b>	<b>5.9%</b>	<b>8.3%</b>	<b>8.7%</b>	<b>8.4%</b>	<b>9.2%</b>	<b>10.1%</b>	<b>9.0%</b>	<b>9.8%</b>	<b>7.7%</b>
Wireless gross activations	1,954,792	546,203	535,647	468,152	404,790	1,780,478	568,555	460,053	403,418	348,452
Postpaid	1,615,764	447,590	426,719	394,136	347,319	1,532,425	505,432	390,985	339,392	296,616
Prepaid	339,028	98,613	108,928	74,016	57,471	248,053	63,123	69,068	64,026	51,836
Wireless net activations (losses)	479,811	143,114	177,834	114,486	44,377	333,084	158,514	106,982	66,916	672
Postpaid	447,682	121,780	135,323	122,092	68,487	416,779	175,204	117,182	88,611	35,782
Prepaid	32,129	21,334	42,511	(7,606)	(24,110)	(83,695)	(16,690)	(10,200)	(21,695)	(35,110)
Wireless subscribers EOP <sup>(A)(B)(C)</sup>	9,610,482	9,610,482	9,487,368	9,309,534	9,195,048	9,166,787	9,166,787	9,008,273	8,901,291	8,946,476
Postpaid <sup>(A)(B)(C)</sup>	8,830,216	8,830,216	8,728,436	8,593,113	8,471,021	8,418,650	8,418,650	8,243,446	8,126,264	8,144,936
Prepaid	780,266	780,266	758,932	716,421	724,027	748,137	748,137	764,827	775,027	801,540
Blended ARPU <sup>(D)</sup> (\$/month)	55.22	54.42	56.67	55.53	54.28	55.88	55.77	57.77	55.61	54.31
Blended ABPU <sup>(D)</sup> (\$/month)	67.76	67.46	69.28	67.71	66.56	67.77	68.27	69.78	67.28	65.66
Churn (%)(average per month)	1.32%	1.41%	1.27%	1.28%	1.31%	1.36%	1.51%	1.32%	1.27%	1.36%
Postpaid	1.16%	1.26%	1.14%	1.10%	1.13%	1.19%	1.35%	1.16%	1.08%	1.17%
Prepaid	3.17%	3.18%	2.76%	3.34%	3.40%	3.17%	3.25%	2.95%	3.19%	3.29%

<sup>(A)</sup> At the beginning of Q1 2018, we adjusted our postpaid wireless subscriber base to remove 16,116 subscribers with a corresponding increase to our high-speed Internet subscribers to reflect the transfer of fixed wireless Internet subscribers.

<sup>(B)</sup> In Q2 2017, Bell's wireless subscriber base reflected the divestiture of 104,833 postpaid subscribers to TELUS Communications Inc. related to BCE's acquisition of MTS. Bell's wireless subscriber base in Q2 2017 also reflected the removal of 7,268 subscribers (2,450 postpaid and 4,818 prepaid), due to the decommissioning of the code division multiple access (CDMA) network in western Canada.

<sup>(C)</sup> At the beginning of Q4 2018, we adjusted our postpaid wireless subscriber base to remove 20,000 subscribers that we divested to Xplornet as a result of BCE's acquisition of MTS.

<sup>(D)</sup> Our Q1 2018 blended ARPU and blended ABPU were adjusted to exclude the unfavourable retroactive impact of the recent CRTC decision on wholesale wireless domestic roaming rates of \$14 million.



<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q4 2018	Q4 2017	% change	TOTAL 2018	TOTAL 2017	% change
<b>Bell Wireline</b>						
<b>Operating revenues</b>						
Data	1,910	1,844	3.6%	7,466	7,192	3.8%
Voice	936	973	(3.8%)	3,793	3,968	(4.4%)
Other services	60	60	-	247	211	17.1%
<b>Total external service revenues</b>	<b>2,906</b>	<b>2,877</b>	<b>1.0%</b>	<b>11,506</b>	<b>11,371</b>	<b>1.2%</b>
Inter-segment service revenues	64	50	28.0%	241	199	21.1%
<b>Total operating service revenues</b>	<b>2,970</b>	<b>2,927</b>	<b>1.5%</b>	<b>11,747</b>	<b>11,570</b>	<b>1.5%</b>
Data	153	137	11.7%	466	410	13.7%
Equipment and other	173	154	12.3%	447	419	6.7%
<b>Total external product revenues</b>	<b>326</b>	<b>291</b>	<b>12.0%</b>	<b>913</b>	<b>829</b>	<b>10.1%</b>
Inter-segment product revenues	-	-	-	2	1	100.0%
<b>Total operating product revenues</b>	<b>326</b>	<b>291</b>	<b>12.0%</b>	<b>915</b>	<b>830</b>	<b>10.2%</b>
<b>Total external revenues</b>	<b>3,232</b>	<b>3,168</b>	<b>2.0%</b>	<b>12,419</b>	<b>12,200</b>	<b>1.8%</b>
<b>Total operating revenues</b>	<b>3,296</b>	<b>3,218</b>	<b>2.4%</b>	<b>12,662</b>	<b>12,400</b>	<b>2.1%</b>
Operating costs	(1,967)	(1,906)	(3.2%)	(7,386)	(7,210)	(2.4%)
<b>Adjusted EBITDA</b>	<b>1,329</b>	<b>1,312</b>	<b>1.3%</b>	<b>5,276</b>	<b>5,190</b>	<b>1.7%</b>
<i>Adjusted EBITDA margin</i>	<b>40.3%</b>	<b>40.8%</b>	<i>(0.5) pts</i>	<b>41.7%</b>	<b>41.9%</b>	<i>(0.2) pts</i>
Capital expenditures	810	845	4.1%	3,201	3,174	(0.9%)
<i>Capital intensity</i>	<b>24.6%</b>	<b>26.3%</b>	<i>1.7 pts</i>	<b>25.3%</b>	<b>25.6%</b>	<i>0.3 pts</i>
<b>High-speed Internet</b>						
High-speed Internet net activations	29,627	27,040	9.6%	107,839	87,860	22.7%
High-speed Internet subscribers EOP <sup>(A)(B)</sup>	3,933,931	3,790,141	3.8%	3,933,931	3,790,141	3.8%
<b>TV</b>						
Net subscriber activations (losses)	9,253	6,546	41.4%	6,182	(20,716)	129.8%
Internet protocol television (IPTV)	36,473	32,484	12.3%	110,790	107,712	2.9%
Total subscribers EOP <sup>(B)</sup>	2,853,081	2,832,300	0.7%	2,853,081	2,832,300	0.7%
IPTV <sup>(B)</sup>	1,675,706	1,550,317	8.1%	1,675,706	1,550,317	8.1%
<b>Network access services (NAS)</b>						
Residential NAS <sup>(B)</sup>	2,990,188	3,231,308	(7.5%)	2,990,188	3,231,308	(7.5%)
Residential NAS net losses	(61,442)	(44,281)	(38.8%)	(264,561)	(242,094)	(9.3%)

<sup>(A)</sup> At the beginning of Q1 2018, we adjusted our high-speed Internet subscriber base to add 16,116 subscribers with a corresponding decrease to our postpaid wireless subscribers to reflect the transfer of fixed wireless Internet subscribers.

<sup>(B)</sup> At the beginning of Q1 2018, our high-speed Internet subscriber base was increased by 19,835, our IPTV by 14,599 and our residential NAS by 23,441, mainly as a result of a small acquisition made in Q1 2018.

**Bell Wireline - Historical Trend**

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	<b>TOTAL 2018</b>	<b>Q4 18</b>	<b>Q3 18</b>	<b>Q2 18</b>	<b>Q1 18</b>	<b>TOTAL 2017</b>	<b>Q4 17</b>	<b>Q3 17</b>	<b>Q2 17</b>	<b>Q1 17</b>
<b>Bell Wireline</b>										
<b>Operating revenues</b>										
Data	7,466	1,910	1,867	1,869	1,820	7,192	1,844	1,817	1,812	1,719
Voice	3,793	936	950	957	950	3,968	973	994	1,020	981
Other services	247	60	60	64	63	211	60	52	55	44
<b>Total external service revenues</b>	<b>11,506</b>	<b>2,906</b>	2,877	2,890	2,833	11,371	2,877	2,863	2,887	2,744
Inter-segment service revenues	241	64	61	57	59	199	50	51	49	49
<b>Total operating service revenues</b>	<b>11,747</b>	<b>2,970</b>	2,938	2,947	2,892	11,570	2,927	2,914	2,936	2,793
Data	466	153	111	98	104	410	137	79	95	99
Equipment and other	447	173	97	89	88	419	154	95	85	85
<b>Total external product revenues</b>	<b>913</b>	<b>326</b>	208	187	192	829	291	174	180	184
Inter-segment product revenues	2	-	1	1	-	1	-	-	1	-
<b>Total operating product revenues</b>	<b>915</b>	<b>326</b>	209	188	192	830	291	174	181	184
<b>Total external revenues</b>	<b>12,419</b>	<b>3,232</b>	3,085	3,077	3,025	12,200	3,168	3,037	3,067	2,928
<b>Total operating revenues</b>	<b>12,662</b>	<b>3,296</b>	3,147	3,135	3,084	12,400	3,218	3,088	3,117	2,977
Operating costs	(7,386)	(1,967)	(1,823)	(1,814)	(1,782)	(7,210)	(1,906)	(1,780)	(1,810)	(1,714)
<b>Adjusted EBITDA</b>	<b>5,276</b>	<b>1,329</b>	1,324	1,321	1,302	5,190	1,312	1,308	1,307	1,263
<i>Adjusted EBITDA margin</i>	<b>41.7%</b>	<b>40.3%</b>	42.1%	42.1%	42.2%	41.9%	40.8%	42.4%	41.9%	42.4%
Capital expenditures	3,201	810	799	845	747	3,174	845	820	818	691
<i>Capital intensity</i>	<b>25.3%</b>	<b>24.6%</b>	25.4%	27.0%	24.2%	25.6%	26.3%	26.6%	26.2%	23.2%
<b>High-speed Internet</b>										
High-speed Internet net activations	107,839	29,627	47,749	10,816	19,647	87,860	27,040	44,424	1,407	14,989
High-speed Internet subscribers EOP <sup>(A)(B)</sup>	3,933,931	3,933,931	3,904,304	3,856,555	3,845,739	3,790,141	3,790,141	3,763,101	3,718,677	3,717,270
<b>TV</b>										
Net subscriber activations (losses)	6,182	9,253	8,601	809	(12,481)	(20,716)	6,546	1,738	(13,337)	(15,663)
IPTV	110,790	36,473	40,091	20,653	13,573	107,712	32,484	36,399	16,427	22,402
Total subscribers EOP <sup>(B)</sup>	2,853,081	2,853,081	2,843,828	2,835,227	2,834,418	2,832,300	2,832,300	2,825,754	2,824,016	2,837,353
IPTV <sup>(B)</sup>	1,675,706	1,675,706	1,639,233	1,599,142	1,578,489	1,550,317	1,550,317	1,517,833	1,481,434	1,465,007
<b>Network access services (NAS)</b>										
Residential NAS <sup>(B)</sup>	2,990,188	2,990,188	3,051,630	3,126,551	3,197,216	3,231,308	3,231,308	3,275,589	3,332,976	3,399,981
Residential NAS net losses	(264,561)	(61,442)	(74,921)	(70,665)	(57,533)	(242,094)	(44,281)	(57,387)	(67,005)	(73,421)

<sup>(A)</sup> At the beginning of Q1 2018, we adjusted our high-speed Internet subscriber base to add 16,116 subscribers with a corresponding decrease to our postpaid wireless subscribers to reflect the transfer of fixed wireless Internet subscribers.

<sup>(B)</sup> At the beginning of Q1 2018, our high-speed Internet subscriber base was increased by 19,835, our IPTV by 14,599 and our residential NAS by 23,441, mainly as a result of a small acquisition made in Q1 2018.

## Net debt and other information

**BCE - Net debt and preferred shares***(In millions of Canadian dollars, except where otherwise indicated) (unaudited)*

	December 31 2018	September 30 2018	June 30 2018	March 31 2018	December 31 2017
Debt due within one year	4,645	4,877	5,732	5,520	5,178
Long-term debt	19,760	19,584	18,367	19,347	18,215
Preferred shares - BCE <sup>(A)</sup>	2,002	2,002	2,002	2,002	2,002
Cash and cash equivalents	(425)	(826)	(390)	(1,199)	(625)
<b>Net debt<sup>(4)</sup></b>	<b>25,982</b>	25,637	25,711	25,670	24,770
Net debt leverage ratio <sup>(4)</sup>	2.72	2.71	2.73	2.74	2.67
Adjusted EBITDA/net interest expense ratio <sup>(4)</sup>	9.00	9.11	9.18	9.22	9.23

**Cash flow information***(In millions of Canadian dollars, except where otherwise indicated) (unaudited)*

	Q4 2018	Q4 2017	\$ change	% change	TOTAL 2018	TOTAL 2017	\$ change	% change
<b>Free cash flow (FCF)<sup>(4)</sup></b>								
Cash flows from operating activities	1,788	1,658	130	7.8%	7,384	7,358	26	0.4%
Capital expenditures	(974)	(1,100)	126	11.5%	(3,971)	(4,034)	63	1.6%
Dividends paid on preferred shares	(46)	(33)	(13)	(39.4%)	(149)	(127)	(22)	(17.3%)
Dividends paid by subsidiaries to non-controlling interest	-	-	-	-	(16)	(34)	18	52.9%
Acquisition and other costs paid	14	27	(13)	(48.1%)	79	155	(76)	(49.0%)
Voluntary defined benefit pension plan contribution	240	100	140	n.m.	240	100	140	n.m.
<b>FCF</b>	<b>1,022</b>	652	370	56.7%	<b>3,567</b>	3,418	149	4.4%

**Cash flow information - Historical trend***(In millions of Canadian dollars, except where otherwise indicated) (unaudited)*

	TOTAL 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	TOTAL 2017	Q4 2017	Q3 2017	Q2 2017	Q1 2017
<b>FCF</b>										
Cash flows from operating activities	7,384	1,788	2,043	2,057	1,496	7,358	1,658	2,233	2,154	1,313
Capital expenditures	(3,971)	(974)	(1,010)	(1,056)	(931)	(4,034)	(1,100)	(1,040)	(1,042)	(852)
Dividends paid on preferred shares	(149)	(46)	(35)	(35)	(33)	(127)	(33)	(21)	(30)	(43)
Dividends paid by subsidiaries to non-controlling interest	(16)	-	(3)	-	(13)	(34)	-	(13)	(9)	(12)
Acquisition and other costs paid	79	14	19	28	18	155	27	24	21	83
Voluntary defined benefit pension plan contribution	240	240	-	-	-	100	100	-	-	-
<b>FCF</b>	<b>3,567</b>	<b>1,022</b>	1,014	994	537	3,418	652	1,183	1,094	489

n.m. : not meaningful

<sup>(A)</sup> Net debt includes 50% of preferred shares

## Consolidated Statements of Financial Position

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	December 31 2018	September 30 2018	June 30 2018	March 31 2018	December 31 2017
<b>ASSETS</b>					
<b>Current assets</b>					
Cash	425	496	254	675	442
Cash equivalents	-	330	136	524	183
Trade and other receivables	3,006	2,948	2,932	2,938	3,129
Inventory	432	491	436	443	380
Contract assets	987	906	856	836	832
Contract costs	370	355	345	337	350
Prepaid expenses	244	312	376	344	217
Other current assets	329	164	222	169	122
<b>Total current assets</b>	<b>5,793</b>	<b>6,002</b>	<b>5,557</b>	<b>6,266</b>	<b>5,655</b>
<b>Non-current assets</b>					
Contract assets	506	440	414	414	431
Contract costs	337	318	287	280	286
Property, plant and equipment	24,844	24,726	24,392	24,169	24,029
Intangible assets	13,205	13,357	13,407	13,410	13,258
Deferred tax assets	112	122	156	153	144
Investments in associates and joint ventures	798	770	803	829	814
Other non-current assets	847	1,262	975	584	757
Goodwill	10,658	10,657	10,568	10,543	10,428
<b>Total non-current assets</b>	<b>51,307</b>	<b>51,652</b>	<b>51,002</b>	<b>50,382</b>	<b>50,147</b>
<b>Total assets</b>	<b>57,100</b>	<b>57,654</b>	<b>56,559</b>	<b>56,648</b>	<b>55,802</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade payables and other liabilities	3,941	3,778	3,603	3,534	3,875
Contract liabilities	703	701	687	706	693
Interest payable	196	230	177	176	168
Dividends payable	691	701	701	701	678
Current tax liabilities	253	159	148	49	140
Debt due within one year	4,645	4,877	5,732	5,520	5,178
<b>Total current liabilities</b>	<b>10,429</b>	<b>10,446</b>	<b>11,048</b>	<b>10,686</b>	<b>10,732</b>
<b>Non-current liabilities</b>					
Contract liabilities	196	201	196	196	201
Long-term debt	19,760	19,584	18,367	19,347	18,215
Deferred tax liabilities	3,163	3,230	3,139	2,916	2,870
Post-employment benefit obligations	1,866	1,890	1,987	2,124	2,108
Other non-current liabilities	997	1,160	1,098	1,083	1,051
<b>Total non-current liabilities</b>	<b>25,982</b>	<b>26,065</b>	<b>24,787</b>	<b>25,666</b>	<b>24,445</b>
<b>Total liabilities</b>	<b>36,411</b>	<b>36,511</b>	<b>35,835</b>	<b>36,352</b>	<b>35,177</b>
<b>EQUITY</b>					
<b>Equity attributable to BCE shareholders</b>					
Preferred shares	4,004	4,004	4,004	4,004	4,004
Common shares	20,036	20,028	20,027	20,026	20,091
Contributed surplus	1,170	1,161	1,151	1,141	1,162
Accumulated other comprehensive income (loss)	90	4	34	9	(17)
Deficit	(4,937)	(4,378)	(4,811)	(5,192)	(4,938)
<b>Total equity attributable to BCE shareholders</b>	<b>20,363</b>	<b>20,819</b>	<b>20,405</b>	<b>19,988</b>	<b>20,302</b>
<b>Non-controlling interest</b>	<b>326</b>	<b>324</b>	<b>319</b>	<b>308</b>	<b>323</b>
<b>Total equity</b>	<b>20,689</b>	<b>21,143</b>	<b>20,724</b>	<b>20,296</b>	<b>20,625</b>
<b>Total liabilities and equity</b>	<b>57,100</b>	<b>57,654</b>	<b>56,559</b>	<b>56,648</b>	<b>55,802</b>
<b>Number of common shares outstanding (millions)</b>	<b>898.2</b>	<b>898.0</b>	<b>898.0</b>	<b>898.0</b>	<b>901.0</b>

## Consolidated Cash Flow Data

<i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i>	Q4 2018	Q4 2017	\$ change	TOTAL 2018	TOTAL 2017	\$ change
Net earnings	642	698	(56)	2,973	3,050	(77)
Adjustments to reconcile net earnings to cash flows from operating activities						
Severance, acquisition and other costs	58	47	11	136	190	(54)
Depreciation and amortization	1,015	991	24	4,014	3,844	170
Post-employment benefit plans cost	83	82	1	335	314	21
Net interest expense	255	238	17	987	942	45
Losses on investments	34	(7)	41	34	5	29
Income taxes	244	272	(28)	995	1,069	(74)
Contributions to post-employment benefit plans	(309)	(175)	(134)	(539)	(413)	(126)
Payments under other post-employment benefit plans	(17)	(19)	2	(75)	(77)	2
Severance and other costs paid	(43)	(36)	(7)	(138)	(147)	9
Interest paid	(295)	(251)	(44)	(990)	(965)	(25)
Income taxes paid (net of refunds)	(92)	(207)	115	(650)	(675)	25
Acquisition and other costs paid	(14)	(27)	13	(79)	(155)	76
Net change in operating assets and liabilities	227	52	175	381	376	5
<b>Cash flows from operating activities</b>	<b>1,788</b>	<b>1,658</b>	<b>130</b>	<b>7,384</b>	<b>7,358</b>	<b>26</b>
Capital expenditures	(974)	(1,100)	126	(3,971)	(4,034)	63
Cash dividends paid on preferred shares	(46)	(33)	(13)	(149)	(127)	(22)
Cash dividends paid by subsidiaries to non-controlling interest	-	-	-	(16)	(34)	18
Acquisition and other costs paid	14	27	(13)	79	155	(76)
Voluntary defined benefit pension plan contribution	240	100	140	240	100	140
<b>Free cash flow</b>	<b>1,022</b>	<b>652</b>	<b>370</b>	<b>3,567</b>	<b>3,418</b>	<b>149</b>
Business acquisitions	-	(14)	14	(395)	(1,649)	1,254
Acquisition and other costs paid	(14)	(27)	13	(79)	(155)	76
Voluntary defined benefit pension plan contribution	(240)	(100)	(140)	(240)	(100)	(140)
Acquisition of spectrum licences	(1)	-	(1)	(56)	-	(56)
Disposition of intangibles and other assets	-	-	-	68	323	(255)
Other investing activities	32	(26)	58	(32)	(77)	45
(Decrease) increase in notes payable	(133)	277	(410)	(123)	333	(456)
Decrease in securitized trade receivables	-	-	-	(2)	(10)	8
Issue of long-term debt	-	-	-	2,996	3,011	(15)
Repayment of long-term debt	(338)	(1,435)	1,097	(2,713)	(2,653)	(60)
Issue of common shares	8	24	(16)	11	117	(106)
Repurchase of common shares	-	-	-	(175)	-	(175)
Purchase of shares for settlement of share-based payments	(46)	(45)	(1)	(222)	(224)	2
Cash dividends paid on common shares	(677)	(646)	(31)	(2,679)	(2,512)	(167)
Return of capital to non-controlling interest	-	-	-	(51)	-	(51)
Other financing activities	(14)	(14)	-	(75)	(50)	(25)
	<b>(1,423)</b>	<b>(2,006)</b>	<b>583</b>	<b>(3,767)</b>	<b>(3,646)</b>	<b>(121)</b>
Net decrease in cash and cash equivalents	(401)	(1,354)	953	(200)	(228)	28
Cash and cash equivalents at beginning of period	826	1,979	(1,153)	625	853	(228)
<b>Cash and cash equivalents at end of period</b>	<b>425</b>	<b>625</b>	<b>(200)</b>	<b>425</b>	<b>625</b>	<b>(200)</b>

## Consolidated Cash Flow Data - Historical Trend

<i>(In millions of Canadian dollars, except where otherwise indicated)</i> <i>(unaudited)</i>	TOTAL 2018	Q4 18	Q3 18	Q2 18	Q1 18	TOTAL 2017	Q4 17	Q3 17	Q2 17	Q1 17
Net earnings	2,973	642	867	755	709	3,050	698	850	814	688
Adjustments to reconcile net earnings to cash flows from operating activities										
Severance, acquisition and other costs	136	58	54	24	-	190	47	23	36	84
Depreciation and amortization	4,014	1,015	999	1,008	992	3,844	991	967	977	909
Post-employment benefit plans cost	335	83	82	80	90	314	82	82	82	68
Net interest expense	987	255	251	243	238	942	238	239	235	230
Losses (gains) on investments	34	34	-	-	-	5	(7)	-	-	12
Income taxes	995	244	224	292	235	1,069	272	249	298	250
Contributions to post-employment benefit plans	(539)	(309)	(69)	(74)	(87)	(413)	(175)	(64)	(86)	(88)
Payments under other post-employment benefit plans	(75)	(17)	(20)	(19)	(19)	(77)	(19)	(20)	(19)	(19)
Severance and other costs paid	(138)	(43)	(27)	(33)	(35)	(147)	(36)	(30)	(40)	(41)
Interest paid	(990)	(295)	(207)	(252)	(236)	(965)	(251)	(242)	(249)	(223)
Income taxes paid (net of refunds)	(650)	(92)	(161)	(113)	(284)	(675)	(207)	(66)	(114)	(288)
Acquisition and other costs paid	(79)	(14)	(19)	(28)	(18)	(155)	(27)	(24)	(21)	(83)
Net change in operating assets and liabilities	381	227	69	174	(89)	376	52	269	241	(186)
<b>Cash flows from operating activities</b>	<b>7,384</b>	<b>1,788</b>	<b>2,043</b>	<b>2,057</b>	<b>1,496</b>	<b>7,358</b>	<b>1,658</b>	<b>2,233</b>	<b>2,154</b>	<b>1,313</b>
Capital expenditures	(3,971)	(974)	(1,010)	(1,056)	(931)	(4,034)	(1,100)	(1,040)	(1,042)	(852)
Cash dividends paid on preferred shares	(149)	(46)	(35)	(35)	(33)	(127)	(33)	(21)	(30)	(43)
Cash dividends paid by subsidiaries to non-controlling interest	(16)	-	(3)	-	(13)	(34)	-	(13)	(9)	(12)
Acquisition and other costs paid	79	14	19	28	18	155	27	24	21	83
Voluntary defined benefit pension plan contribution	240	240	-	-	-	100	100	-	-	-
<b>Free cash flow</b>	<b>3,567</b>	<b>1,022</b>	<b>1,014</b>	<b>994</b>	<b>537</b>	<b>3,418</b>	<b>652</b>	<b>1,183</b>	<b>1,094</b>	<b>489</b>
Business acquisitions	(395)	-	(151)	(21)	(223)	(1,649)	(14)	-	-	(1,635)
Acquisition and other costs paid	(79)	(14)	(19)	(28)	(18)	(155)	(27)	(24)	(21)	(83)
Voluntary defined benefit pension plan contribution	(240)	(240)	-	-	-	(100)	(100)	-	-	-
Acquisition of spectrum licences	(56)	(1)	(19)	-	(36)	-	-	-	-	-
Disposition of intangibles and other assets	68	-	-	-	68	323	-	-	323	-
Other investing activities	(32)	32	(9)	(20)	(35)	(77)	(26)	(37)	(5)	(9)
(Decrease) increase in notes payable	(123)	(133)	(30)	97	(57)	333	277	(379)	127	308
(Decrease) increase in securitized trade receivables	(2)	-	-	(2)	-	(10)	-	-	(360)	350
Issue of long-term debt	2,996	-	1,530	-	1,466	3,011	-	1,515	-	1,496
Repayment of long-term debt	(2,713)	(338)	(1,134)	(1,068)	(173)	(2,653)	(1,435)	(142)	(472)	(604)
Issue of common shares	11	8	1	1	1	117	24	4	41	48
Repurchase of common shares	(175)	-	-	-	(175)	-	-	-	-	-
Purchase of shares for settlement of share-based payments	(222)	(46)	(39)	(49)	(88)	(224)	(45)	(38)	(45)	(96)
Cash dividends paid on common shares	(2,679)	(677)	(678)	(678)	(646)	(2,512)	(646)	(646)	(626)	(594)
Return of capital to non-controlling interest	(51)	-	(10)	(12)	(29)	-	-	-	-	-
Other financing activities	(75)	(14)	(20)	(23)	(18)	(50)	(14)	(14)	(9)	(13)
	<b>(3,767)</b>	<b>(1,423)</b>	<b>(578)</b>	<b>(1,803)</b>	<b>37</b>	<b>(3,646)</b>	<b>(2,006)</b>	<b>239</b>	<b>(1,047)</b>	<b>(832)</b>
Net (decrease) increase in cash and cash equivalents	(200)	(401)	436	(809)	574	(228)	(1,354)	1,422	47	(343)
Cash and cash equivalents at beginning of period	625	826	390	1,199	625	853	1,979	557	510	853
<b>Cash and cash equivalents at end of period</b>	<b>425</b>	<b>425</b>	<b>826</b>	<b>390</b>	<b>1,199</b>	<b>625</b>	<b>625</b>	<b>1,979</b>	<b>557</b>	<b>510</b>

## Accompanying Notes

- (1) We report our results in three segments: Bell Wireless, Bell Wireline and Bell Media. Our reporting structure reflects how we manage our business and how we classify our results for planning and measuring performance.

Throughout this report, *we, us, our, the company* and *BCE* 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. *MTS* means, as the context may require, until March 17, 2017, either Manitoba Telecom Services Inc. or, collectively, Manitoba Telecom Services Inc. and its subsidiaries and *Bell MTS* means, from March 17, 2017, the combined operations of MTS and Bell Canada in Manitoba.

- (2) As required by International Financial Reporting Standards (IFRS), effective January 1, 2018, we have adopted IFRS 15, Revenue from Contracts with Customers, retrospectively to each period in 2017 previously reported. For further details, see note 3, note 14 and note 15, *Adoption of IFRS 15*, respectively, of the Q1 2018, Q2 2018 and Q3 2018 consolidated interim financial statements.
- (3) On March 17, 2017, BCE acquired all of the issued and outstanding common shares of MTS. Bell MTS offers wireless, Internet, television (TV), phone services, security systems and information solutions including unified cloud and managed services to residential and business customers in Manitoba. The results from the acquired MTS operations are included in our Bell Wireline and Wireless segments. For further details, see note 3, *Business acquisitions and dispositions*, of the 2017 annual consolidated financial statements and the Q3 2018 consolidated interim financial statements, respectively.

#### (4) **Non-GAAP Financial Measures**

In Q1 2018, we updated our definition of adjusted net earnings and adjusted EPS to exclude net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans as they may affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Adjusted net earnings and adjusted EPS for 2017 have also been updated for comparability purposes.

#### **Adjusted EBITDA and adjusted EBITDA margin**

The terms adjusted EBITDA and adjusted EBITDA margin do not have any standardized meaning under IFRS. Therefore, they are unlikely to be comparable to similar measures presented by other issuers.

We define adjusted EBITDA as operating revenues less operating costs (including post-employment benefit plans service cost) as shown in BCE's consolidated income statements. Adjusted EBITDA for BCE's segments is the same as segment profit as reported in BCE's consolidated financial statements. We define adjusted EBITDA margin as adjusted EBITDA divided by operating revenues.

We use adjusted EBITDA and adjusted EBITDA margin to evaluate the performance of our businesses as they reflect their ongoing profitability. We believe that certain investors and analysts use adjusted EBITDA to measure a company's ability to service debt and to meet other payment obligations or as a common measurement to value companies in the telecommunications industry. We believe that certain investors and analysts also use adjusted EBITDA and adjusted EBITDA margin to evaluate the performance of our businesses. Adjusted EBITDA also is one component in the determination of short-term incentive compensation for all management employees.

Adjusted EBITDA and adjusted EBITDA margin have no directly comparable IFRS financial measure. Alternatively, adjusted EBITDA may be reconciled to net earnings as shown in this document.

### **Adjusted net earnings and adjusted earnings per share (EPS)**

The terms adjusted net earnings and adjusted EPS do not have any standardized meaning under IFRS. Therefore, they are 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 losses (gains) on investments, early debt redemption costs and impairment charges, net of tax and non-controlling interest (NCI). We define adjusted EPS as adjusted net earnings per BCE common share.

We use adjusted net earnings and adjusted EPS, and we believe that certain investors and analysts use these measures, 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 losses (gains) on investments, early debt redemption costs and impairment charges, 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 comparable IFRS financial measures are net earnings attributable to common shareholders and EPS, as reconciled in this document.

### **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 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 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 because it 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 comparable IFRS financial measure is cash flows from operating activities, as reconciled in this document.

### **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 has no directly comparable IFRS financial measure, but rather is calculated using several asset and liability categories from the statements of financial position, as shown in this document.



### **Net debt leverage ratio**

The net debt leverage ratio does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. We use, and believe that certain investors and analysts use, the net debt leverage ratio as a measure of financial leverage.

The net debt leverage ratio represents net debt divided by adjusted EBITDA. For the purposes of calculating our net debt leverage ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA.

### **Adjusted EBITDA to net interest expense ratio**

The ratio of adjusted EBITDA to 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 use, and believe that certain investors and analysts use, the adjusted EBITDA to net interest expense ratio as a measure of financial health of the company.

The adjusted EBITDA to net interest expense ratio represents adjusted EBITDA divided by net interest expense. For the purposes of calculating our adjusted EBITDA to net interest expense ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA. Net interest expense is twelve-month trailing net interest expense as shown in our statements of cash flows, plus 50% of declared preferred share dividends as shown in our income statements.

### **(5) Key performance indicators (KPIs)**

In addition to the non-GAAP financial measures described previously, we use a number of 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.

**Average revenue per user (ARPU) or subscriber** is a measure used to track our recurring revenue streams, which has been updated to reflect the adoption of IFRS 15. Wireless blended ARPU is calculated by dividing certain service revenues by the average subscriber base for the specified period and is expressed as a dollar unit per month.

**Average billing per user (ABPU) or subscriber** approximates the average amount billed to customers on a monthly basis, which is used to track our recurring billing streams. This measure is the same as blended ARPU prior to the adoption of IFRS 15. Wireless blended ABPU is calculated by dividing certain customer billings by the average subscriber base for the specified period and is expressed as a dollar unit per month.

**Capital intensity** is capital expenditures divided by operating revenues.

**Churn** is the rate at which existing subscribers cancel their services. It is a measure of our ability to retain our customers. Wireless churn is calculated by dividing the number of deactivations during a given period by the average number of subscribers in the base for the specified period and is expressed as a percentage per month.

**Wireless subscriber unit** is comprised of an active revenue-generating unit (e.g. mobile device, tablet or wireless Internet products), with a unique identifier (typically International Mobile Equipment Identity (IMEI) number), that has access to our wireless networks. We report wireless subscriber units in two categories: postpaid and prepaid. Prepaid subscriber units are considered active for a period of 120 days following the expiry of the subscriber's prepaid balance.

**Wireline subscriber unit** consists of an active revenue-generating unit with access to our services, including Internet, satellite TV, IPTV, and/or 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.

- Internet, IPTV and satellite TV subscribers have access to stand-alone services, and are primarily represented by a dwelling unit
- NAS subscribers are based on a line count and are represented by a unique telephone number