



BCE Q1 2026 Results conference call

Thursday, May 7th 2026 at 8:00 a.m

Corporate Participants

Mirko Bibic

President
Chief Executive Officer

Curtis Millen

Executive Vice President
Chief Financial Officer

Kris Somers

Senior Vice President, Investors Relations

Conference Call Participants

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BMO – Analyst

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Desjardins Securities – Analyst

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Bank of America – Analyst

Batya Levi

UBS – Analyst

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TD Cowen - Analyst

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements made by BCE's President and Chief Executive Officer and Executive Vice President and Chief Financial Officer during BCE's Q1 2026 Results Conference Call, as reflected in this transcript, are forward-looking statements. These statements include, without limitation, statements relating to our strategic priorities; expectations with respect to wireless market conditions; the Saskatchewan AI data centre, including its expected impact on revenue, adjusted EBITDA and free cash flow, when we expect to start recognizing the same, and the expected timing to receive major permits, to bring the first phase online and to increase capital expenditures; our AI Fabric ecosystem; the expected timing for the Winnipeg data centre facility to commence operations; our 2028 AI-powered solutions revenue target; monetizing approximately 800 megawatts of power and the potential for further monetization; the significance of AI-powered solutions revenue on BCE; our 2028 subscriber targets; additional media rights renewals, including the expected timing of announcing such renewals; our intention to maintain our leadership in sports broadcasting; the anticipated audience reach and monetization opportunities associated with our exclusive coverage of the FIFA World Cup; our expected continued growth in our ability to monetize original content internationally; the sale of Crave Original series to additional international customers; our objective of consistent revenue and adjusted EBITDA growth at Bell Media, with strong contribution to BCE free cash flow; our capital allocation plan, including its implementation, expected financial impacts and capital return strategy; reductions in spending on legacy segments and reallocating investment to growth segments; the expected decline in our Canadian telecom capital expenditures; our objectives with respect to adjusted EBITDA and free cash flow growth; the expected benefits of our disclosure enhancements; the resumption of improving wireless performance trends; our strategies to support our wireless subscriber base; AI Fabric agreements being structured as operating leases on a go-forward basis; Zply's 2028 fibre passing targets; the expected acceleration of operating and subscriber momentum for Bell CTS U.S.; expectations with respect to the disposition of our land mobile radio network, including the timing of closing and expected benefits thereof; achieving our target net debt leverage ratio and moving below such ratio and the related timing; expectations regarding our regulatory environment and its impact on investments in our business and industry; our pricing approach; our focus on the overall value proposition for our customers; optimization of customer lifetime economics; expectations regarding our partnership with AST; the impact of satellite broadband on our business; our growth strategy for Zply Fiber; BCE's business outlook, objectives, plans and strategic priorities; and other statements that are not historical facts. Forward-looking statements are typically identified by the words "assumption", "goal", "guidance", "objective", "outlook", "project", "strategy", "target", "commitment" and other similar expressions or future or conditional verbs

such as “aim”, “anticipate”, “believe”, “could”, “expect”, “intend”, “may”, “plan”, “seek”, “should”, “strive” and “will”. All such forward-looking statements are made pursuant to the ‘safe harbour’ provisions of applicable Canadian securities laws and of the United States (U.S.) *Private Securities Litigation Reform Act of 1995*.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements and that our business outlook, objectives, plans and strategic priorities may not be achieved. These statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. The forward-looking statements contained in this transcript describe our expectations as of May 7, 2026 and, accordingly, are subject to change after such date. Except as may be required by applicable securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this transcript, whether as a result of new information, future events or otherwise. We regularly consider potential acquisitions, dispositions, mergers, business combinations, investments, monetizations, joint ventures and other transactions, some of which may be significant. Except as otherwise indicated by us, forward-looking statements do not reflect the potential impact of any such transactions or of special items that may be announced or that may occur after May 7, 2026. The financial impact of these transactions and special items can be complex and depends on the facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way or in the same way we present known risks affecting our business. Forward-looking statements were made during BCE’s Q1 2026 Results Conference Call for the purpose of assisting investors and others in understanding certain key elements of our expected financial results, as well as our objectives, strategic priorities and business outlook, and in obtaining a better understanding of our anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes. The forward-looking statements made during BCE’s Q1 2026 Results Conference Call for periods beyond 2026 assume, unless otherwise indicated, that the economic, market, operational and financial assumptions as well as the material risk factors described in this transcript will remain substantially unchanged during such periods.

Material Assumptions

A number of economic, market, operational and financial assumptions were made by BCE in preparing its forward-looking statements contained in this transcript, including, but not limited to the following:

Canadian Economic Assumptions

The economic outlook is highly dependent on the outcome of trade negotiations with the U.S. and the duration and severity of the war in the Middle East, as well as how the Canadian economy responds to these developments. We have assumed:

- Modest economic growth, given the Bank of Canada's most recent estimated growth in Canadian gross domestic product (GDP) of 1.2% in 2026, representing a modest increase from the earlier estimate of 1.1%
- Subdued population growth
- Modest growth in consumer spending
- Soft growth in business investment, particularly in sectors most reliant on U.S. markets
- Higher consumer price index (CPI) inflation, primarily driven by higher energy prices resulting from the war in the Middle East
- Ongoing labour market softness
- Interest rates expected to remain at or near current levels, although the outlook is subject to uncertainty depending on the evolution of inflation
- Canadian dollar expected to remain near current levels. Further movements may be impacted by the degree of strength of the U.S. dollar, interest rates and changes in commodity prices

U.S. Economic Assumptions

- Slowdown in consumer spending, offset by business investment
- Ongoing uncertainty surrounding trade policy
- Stable CPI inflation
- Moderate to steady GDP growth
- Stable rate of unemployment

Canadian Market Assumptions

- A moderated level of wireless competition and sustained level of wireline competition in consumer markets
- Higher, but slowing, wireless industry penetration
- A shrinking data and voice connectivity market as business customers migrate to lower-priced telecommunications solutions or alternative over-the-top (OTT) competitors

- The advertising market is shifting towards digital platforms and most legacy Canadian TV and radio platforms are expecting impacts from flat to declining audiences
- Increasing competition from the continued rollout of subscription video on demand (SVOD) streaming services together with further scaling of OTT aggregators is expected to result in further declines in broadcasting distribution undertaking (BDU) subscribers

U.S. Market Assumptions

- A higher level of wireline pricing competition in consumer, business and wholesale markets
- Increased demand for colocation and datacenter connectivity services
- A shrinking traditional voice services market as customers migrate to wireless or voice over Internet protocol (VoIP) offerings

Assumptions Applicable to our Bell CTS Canada Segment

- Stabilizing wireless market share of net additions as we manage increased competitive intensity and promotional activity across all regions and market segments
- Ongoing expansion and deployment of Fifth Generation (5G) and 5G+ wireless networks, offering competitive coverage and quality
- Continued diversification of our distribution strategy with a focus on expanding direct-to-consumer (DTC) and online transactions
- Slightly declining mobile phone blended average revenue per user (ARPU) due to competitive pricing pressure
- Continuing business customer adoption of advanced 5G, 5G+ and Internet of Things solutions
- Continued scaling of technology services from recent acquisitions made in the enterprise market through leveraging our sales channels with the acquired businesses' technical expertise
- Continued growth in residential fibre Internet subscribers
- Increasing wireless and Internet-based technological substitution
- Continued focus on the consumer household and bundled service offers for mobility, Internet and content services
- Continued large business customer migration to Internet protocol (IP)-based systems
- Ongoing competitive repricing pressures in our business and wholesale markets
- Traditional high-margin product categories challenged by large global cloud and OTT providers of business voice and data solutions expanding into Canada with on-demand services, which, in many cases, are also sold as a service by Bell Business Markets to ensure continuity of customer relationships and adjacent revenue growth opportunities

- Increasing customer adoption of OTT services resulting in downsizing of television (TV) packages and fewer consumers purchasing BDU subscriptions services
- Realization of cost savings related to operating efficiencies enabled by our direct fibre footprint, changes in consumer behaviour and product innovation, digital and AI adoption, product and service enhancements, expanding self-serve capabilities, new call centre and digital investments, other improvements to the customer service experience, management workforce reductions including attrition and retirements, and lower contracted rates from our suppliers

Assumptions Applicable to our Bell CTS U.S. Segment

- Continued growth in retail Internet customers with continued deployment of direct fibre to incremental homes and businesses both within our existing footprint and in new markets
- Increasing retail Internet ARPU through continued migration of customers to higher speed tiers and rate increases
- Ongoing competitive repricing pressures in our business and wholesale markets
- Realization of cost savings related to operational efficiencies enabled by our direct fibre footprint, digital and AI adoption, expanding self service capabilities, and other improvements to the customer service experience

Assumptions Applicable to our Bell Media Segment

- Overall digital revenue expected to reflect scaling of Connected TV, DTC advertising and subscriber growth, as well as digital growth in our out of home business contributing towards the advancement of our digital-first media strategy
- Leveraging of first-party data to improve targeting, advertisement delivery including personalized viewing experience and attribution
- Strategically managing escalating content acquisition and production costs to secure high-quality, differentiated programming across all screens and platforms
- Continued scaling of Crave, TSN, and RDS through expanded distribution, partnerships, content offerings and user experience improvements
- Global content distribution growth through majority ownership of Sphere Abacus
- Continued support in original French content with a focus on digital platforms such as Crave, Noovo.ca and iHeartRadio Canada, to better serve our French-language customers through a personalized digital experience
- No adverse material financial, operational or competitive consequences of changes in or implementation of regulations affecting our media business

Financial Assumptions Concerning BCE

- An estimated post-employment benefit plans service cost of approximately \$195 million

- An estimated net return on post-employment benefit plans of approximately \$145 million
- Depreciation and amortization expense of approximately \$5,450 million to \$5,500 million
- Interest expense of approximately \$1,850 million to \$1,900 million
- Interest paid of approximately \$1,925 million to \$1,975 million
- An average effective tax rate of approximately 26%
- Non-controlling interest of approximately \$70 million
- Contributions to post-employment benefit plans of approximately \$35 million
- Payments under other post-employment benefit plans of approximately \$60 million
- Income taxes paid (net of refunds) excluding on significant divestitures of approximately \$650 million to \$750 million
- Weighted average number of BCE common shares outstanding of approximately 933 million
- An annualized common share dividend of \$1.75 per share

Assumptions underlying expected continuing contribution holiday in 2026 in the majority of our pension plans

- At the relevant time, our defined benefit (DB) pension plans will remain in funded positions with going concern surpluses and maintain solvency ratios that exceed the minimum legal requirements for a contribution holiday to be taken for applicable DB and defined contribution (DC) components
- No significant declines in our DB pension plans' financial position due to declines in investment returns or interest rates
- No material experience losses from other events such as through litigation or changes in laws, regulations or actuarial standards

The foregoing assumptions, although considered reasonable by BCE on May 7, 2026, may prove to be inaccurate. Accordingly, our actual results could differ materially from our expectations as set forth in this transcript.

Material Risks

Important risk factors that could cause our assumptions and estimates to be inaccurate and actual results or events to differ materially from those expressed in, or implied by, our forward-looking statements, including our 2026 guidance, are listed below. The realization of our forward-looking statements, including our ability to meet our 2026 guidance targets, essentially depends on our business performance, which, in turn, is subject to many risks. Accordingly, readers are cautioned that any of the

following risks could have a material adverse effect on our forward-looking statements. These risks include, but are not limited to: the negative effect of adverse economic conditions, including the continuation or escalation of trade wars, recessions, U.S. tariffs and the unpredictability of future trade arrangements, inflation, the value of the Canadian dollar, reductions in immigration levels, high housing support costs relative to income, and financial and capital market volatility, and the resulting negative impact on customer spending, the resulting demand for our products and services, our customers' financial condition, and the cost and amount of funding available in the capital markets; the negative effect of adverse conditions associated with geopolitical events, including financial and capital market volatility, broader geopolitical instability and armed conflicts, higher energy prices, inflationary pressures limiting consumer and business spending and increasing our operating costs, disruptions in our supply chains, and increased information security threats; the intensity of competitive activity in Canada and the U.S. and the failure to effectively respond to evolving competitive dynamics; the level of technological advancements and the presence of alternative service providers contributing to disruptions and disintermediation in each of our business segments; changing customer behaviour and the expansion of cloud-based, OTT and other alternative solutions; advertising market pressures from economic conditions, fragmentation and non-traditional/global digital services; rising content costs and challenges in our ability to acquire or develop key content; high Canadian Internet and smartphone penetration; regulatory initiatives, proceedings and decisions, government consultations and government positions that negatively affect us and influence our business in Canada including, without limitation, concerning mandatory access to networks, spectrum auctions, the imposition of consumer-related codes of conduct, approval of acquisitions, broadcast and spectrum licensing, foreign ownership requirements, privacy and cybersecurity obligations, online streaming and digital services regulations, control of copyright piracy, and regulatory frameworks governing AI; the inability to implement enhanced compliance frameworks and to comply with legal and regulatory obligations, including the failure to monitor and comply with the U.S. legal and regulatory requirements to which Zply Fiber is subject, which may reduce the amount of subsidies or revenues it receives, increase its compliance burdens or constrain its ability to compete; unfavourable resolution of legal proceedings; the inability to protect our assets and data from events such as information security attacks, unauthorized access or entry, fire, natural disasters, extreme weather events linked to climate change, power loss, building cooling loss, acts of war or terrorism, geopolitical conflict, sabotage, vandalism, actions of neighbours, and other events; the failure to implement effective security, data and responsible AI governance frameworks; the inability to drive a positive customer experience; the failure to evolve and transform our networks, systems and operations using next-generation technologies while lowering our cost structure, including the

failure to meet customer expectations of product and service experience; the use of AI technologies in our business solutions and operations, and by our customers, business partners, and third-party vendors; the risk that we may need to incur significant capital expenditures to provide additional capacity and reduce network congestion; service interruptions or outages due to network failures or slowdowns; the complexity of our operations and information technology (IT) systems and the failure to implement, maintain or manage highly effective processes and IT systems; events affecting the functionality of, and our ability to protect, test, maintain, replace and upgrade our networks, IT systems, equipment and other facilities; the failure by other telecommunications carriers on which we rely to provide services, to complete planned and sufficient testing, maintenance, replacement or upgrade of their networks, equipment and other facilities, which could disrupt our operations including through network or other infrastructure failures; in-orbit and other operational risks to which the satellites used to provide our satellite TV services are subject; the failure to successfully expand Ziplly Fiber's fibre network; the inability of Ziplly Fiber's current and future initiatives or programs to generate the level of returns, or to occur on the timeline, we anticipate; there can be no assurance that the potential benefits expected to result from the formation of Network FiberCo will be realized; the failure to successfully integrate Ziplly Fiber as a subsidiary of BCE, and to generate the anticipated benefits from the acquisition of Ziplly Fiber; the inability to access adequate sources of capital and generate sufficient cash flows from operating activities to meet our cash requirements, fund capital expenditures and provide for planned growth; uncertainty as to whether our dividend payout policy will be maintained or achieved, or that the dividend on common shares will be maintained or dividends on any of BCE's outstanding shares will be declared by BCE's board of directors (the Board); the failure to reduce costs and adequately assess investment priorities, as well as unexpected increases in costs; the inability to manage various credit, liquidity and market risks; the failure to accurately anticipate fluctuations in the exchange rate between the Canadian dollar and U.S. dollar and our inability to successfully implement currency hedging strategies; the failure to evolve practices to effectively monitor and control fraudulent activities; new or higher taxes due to new tax laws, treaties, regulations, or rules thereunder in Canada, the U.S., or other relevant jurisdictions, or changes thereto, or changes in their interpretation or enforcement by tax authorities, and the inability to predict the outcome of government audits; the impact on our financial statements and estimates from a number of factors; pension obligation volatility and increased contributions to post-employment benefit plans; the expected timing and completion of the proposed disposition of Northwestel Inc. are subject to closing conditions, termination rights and other risks and uncertainties, including, without limitation, the purchaser securing financing, which may affect its completion, terms or timing and, as such, there can be no assurance that the proposed disposition will occur, or that it will

occur on the terms and conditions, or at the time, currently contemplated, or that the potential benefits expected to result from the proposed disposition will be realized; the failure to attract, develop and retain a talented team capable of furthering our business strategy and operational transformation; the potential deterioration in employee morale and engagement resulting from staff reductions, cost reductions or reorganizations, and the de-prioritization of transformation initiatives due to staff reductions, cost reductions or reorganizations; the failure to adequately manage health and safety concerns; labour disruptions and shortages; reputational risks and the inability to meaningfully integrate sustainability considerations into our business strategy, operations and governance; the adverse impact of various internal and external factors on our ability to achieve our sustainability targets including, without limitation, those related to greenhouse gas reduction and supplier engagement; the failure to take appropriate actions to adapt to current and emerging environmental impacts, including climate change; the failure to develop and implement sufficient corporate governance practices; the inability to adequately manage social issues; health risks, including pandemics, epidemics and other health concerns, such as radio frequency emissions from wireless communications devices and equipment; our dependence on third-party suppliers, outsourcers and consultants to provide an uninterrupted supply of the products and services we need and comply with various obligations; the failure of our vendor selection, governance and oversight processes, including our management of supplier risk in the areas of security, data and AI governance, privacy and responsible procurement; the quality of our products and services and the extent to which they may be subject to defects or fail to comply with applicable government regulations and standards; and the expected timing and completion of the proposed disposition of Bell Mobility's land mobile radio networks services business are subject to closing conditions, termination rights and other risks and uncertainties including, without limitation, relevant regulatory and third-party approvals, which may affect its completion, terms or timing and, as such, there can be no assurance that the proposed disposition will occur, or that it will occur on the terms and conditions, or at the time, currently contemplated.

We caution that the foregoing list of risk factors is not exhaustive and other factors could also adversely affect our results. We encourage investors to also read BCE's 2025 Annual MD&A dated March 5, 2026, BCE's 2026 First Quarter MD&A dated May 6, 2026 and BCE's news release dated May 7, 2026 announcing its financial results for the first quarter of 2026 for additional information with respect to certain of these and other assumptions and risks, filed by BCE with the Canadian provincial securities regulatory authorities (available at sedarplus.ca) and with the U.S.

Securities and Exchange Commission (available at [SEC.gov](https://www.sec.gov)). These documents are also available at [BCE.ca](https://www.bce.ca).

THE INFORMATION CONTAINED IN THIS TRANSCRIPT IS A TEXTUAL REPRESENTATION OF BCE'S Q1 2026 RESULTS CONFERENCE CALL. NOTE THAT THIS TRANSCRIPT HAS BEEN EDITED IN CERTAIN AREAS FOR CLARITY AND READABILITY.

Operator: Good morning, ladies and gentlemen. Welcome to the BCE Q1 2026 results conference call. I would now like to turn the meeting over to Kris Somers. Please go ahead, Mr. Somers.

Kris Somers – Senior Vice President - IR: Thank you, Matthew. Good morning, everyone, and thank you for joining our call. With me here today are Mirko Bibic, BCE's President and CEO, and our CFO, Curtis Millen. You can find all our Q1 disclosure documents on the Investor Relations page of the bce.ca website, which we posted earlier this morning. Before we begin, I would like to draw your attention to our safe harbour statement on Slide 2, reminding you that today's slide presentation remarks made during the call will include forward-looking information, and therefore are subject to risks and uncertainties. Results could differ materially. We disclaim any obligation to update forward-looking statements except as required by law. Please refer to our publicly filed documents for more details on assumptions and risks. With that out of the way, I'll turn the call over to Mirko.

Mirko Bibic – President and CEO: Good morning, everyone. Thanks, Kris. Our Q1 results demonstrate continued disciplined execution across all four of our strategic priorities in what remains a competitive operating environment. Consolidated revenue was up 4%, and adjusted EBITDA grew 2.9%. As we've outlined consistently, our capital allocation is organized around three priorities: to strengthen the balance sheet through disciplined deleveraging, fund our strategic priorities, and, of course, return capital to shareholders through a sustainable dividend. We continued to execute against that framework in Q1. Most recently, we announced the divestiture of our land mobile radio network services business to Motorola Solutions Canada Networks Inc. for \$675 million, and that's at an attractive valuation of approximately 10 times adjusted EBITDA, the latest in a series of actions to simplify the business and accelerate our path to our leverage targets.

We're making significant progress across each of our four strategic priorities as well, and I want to walk you through them, starting with putting the customer first. I'm on Slide 3. You see that we continue to advance a number of initiatives to improve the

overall value proposition and service experience for our customers, including the expansion of Internet contracts in Ontario, which give customers greater price certainty, continued scaling of hardware-free Bell Fibe TV, and the full launch of our Voice Virtual Assistant across Bell, Virgin Plus, and Lucky Mobile. Each of these supports longer-term, more stable customer relationships and a lower cost to serve.

Fibre continues to be a key growth driver for us. In Canada, we added close to 43,000 residential FTTH subscribers in the quarter, with demand remaining solid across our footprint. Combined with the contribution from Zply Fiber, total residential FTTH net adds were close to 50,000, and total Internet revenue across our North American fibre platforms grew 15% year over year. In wireless, Q1 was an unusually competitive quarter. Promotional activity across the industry extended well beyond typical seasonal windows. We were deliberate in how we responded, staying out of the most aggressive pricing early in the quarter and participating selectively where we saw longer-term value. That discipline is reflected in our results. Strong mobile phone postpaid net adds of close to 17,000, a 21% increase in gross activations and continued resilience and Bell-branded performance. Early indicators suggest the market is normalizing, and our focus remains on lifetime economics, not quarter-to-quarter volume.

Video net subscriber additions swung to positive, improving approximately 26,000 year over year on strong uptake of the streaming bundles we launched in the second half of last year. That content pull-through, together with growing adoption of subscriptions across our fibre base, is driving meaningful momentum and product intensity, which is a key metric we're tracking against our Investor Day framework.

Turning now to our third strategic priority, which is to lead in enterprise with AI-powered solutions. This is where I want to spend a bit more time today with you because Bell AI Fabric is creating considerable value in a very short period of time, and I want to make sure investors fully understand the story.

Let me start with a simple framing. Bell sits at the intersection of secure high-performance networks, trusted enterprise relationships, access to significant power

and now purpose-built AI infrastructure with a time to compute advantage. No other Canadian company has assembled this combination, and it's very difficult to replicate. That's our competitive advantage. Last year, we outlined our ambition to lead in this space, and we introduced three businesses at Ateko, Bell Cyber and Bell AI Fabric. Each is closely tied to our core strengths and connectivity, distribution and trust. Since then, progress has only accelerated. I want to begin with Saskatchewan because it's a landmark investment for Bell and for the country's AI future. Less than two months ago, we announced a fully contracted 300 megawatt purpose-built AI data centre in Saskatchewan. It's a transformational project that meaningfully improves our long-term growth profile and is incremental to the financial framework we laid out at Investor Day. Our construction partners have mobilized on site, and preliminary work is underway. I'll walk you through what that looks like on the ground when we get to Slide 5.

At full run rate, as we've shared before, this facility alone is expected to contribute approximately \$500 million of revenue, \$400 million of adjusted EBITDA and over \$250 million of free cash flow at an IRR of approximately 20% at the data centre level with additional upside from sovereign workloads and related services on top. Beyond Saskatchewan, our broader AI Fabric ecosystem continues to scale. In late March, we launched our Merritt, B.C., facility. Consistent with our model, Bell is providing the building power and cooling, the tenant supplies and funds all compute hardware. The facility uses a closed-loop liquid-cooled design that does not draw from municipal water resources. The capacity at Merritt is part of the approximately 73 megawatts of AI Fabric capacity we referenced back in October.

At this time, we have four fully contracted facilities. Mission Flats and Merritt, B.C., which are both live, as you know. We have Winnipeg, which will go live early in the second half of this year, and that one is on an operating lease basis. Those three constitute 29 megawatts of the 73 megawatts we guided to at Investor Day. And of course, we have Saskatchewan on top of that, which is under construction. We also continued to build out the sovereign AI solutions ecosystem during the quarter. We announced strategic partnerships with Coveo to deliver sovereign AI-powered digital services, with Hypertec to deliver end-to-end sovereign AI infrastructure built, hosted

and operated in Canada and with SAP to strengthen Canada's digital sovereignty with cloud and AI infrastructure and post-quarter with Celestica, to advance the development of a Canadian sovereign AI infrastructure stack.

Each of these partnerships reinforces a critical point: Bell AI Fabric is not just about data centres, it's a full-stack Canadian-controlled AI platform with infrastructure, connectivity, security integration and services working with best-in-class partners to meet the needs of governments, enterprises and research institutions that require their AI workloads to remain here in Canada. And this brings me now to the financial results in enterprise. Bell Business Markets revenue, which we're disclosing for the first time this quarter, was up 9.7% in the quarter, driven by 113% growth in AI-powered solutions revenue. That's a powerful number, and it reflects the compounding momentum across all three of our AI-powered businesses.

Again, I'll note that the Merritt facility contributed to the quarter, and Curtis will walk you through the financial details around that. We increased our AI-powered solutions revenue objective from approximately \$1.5 billion to approximately \$2 billion by 2028, when we made the Saskatchewan announcement, and we're confident in that target, and frankly, I see potential beyond it. We have a line of sight to monetizing approximately 800 megawatts of power over time, and our pipeline of interest remains deep and active. In short, AI-powered solutions is creating significant differentiated value for this company. It's closely tied to our core business. It's disciplined, demand-led and return-driven, and it's a growth vector that no other Canadian telecom has.

Turning now to our fourth strategic priority, which is to build a digital media and content powerhouse. Our digital pivot in media is now well into its sixth year, and the momentum is clear. When I became CEO in 2020, digital represented 19% of Bell Media's revenue, and today it's 46%. That's up three points year over year, and it's still growing. It's a fundamental transformation of this business and is translating directly into subscriber growth, advertiser interest and new monetization streams. Q1 was the most-watched quarter in Crave history. Our subscriber base grew 25% year over year to more than 4.7 million today, powered by 59% increase in direct-to-consumer

streaming subscribers. That's exceptional growth in any market, and with our target of 6 million subscribers by 2028, we have a clear runway ahead.

What's driving this is the combination of premium original content, a significantly expanded library, the streaming bundles we launched in the second half of last year, and continued improvements to the product experience, including targeted marketing offers - efforts, pardon me, in the French language market. Another recent addition is SNL, which will simulcast on Crave and CTV beginning this fall, one of the most-watched shows on television and a strong signal of the content value we're building across both platforms.

We also continue to solidify our long-term sports content leadership. Over the last few months, we extended regional media rights with the Senators, the Montreal Canadiens, the Winnipeg Jets, and became the new Canadian home of the Toronto Tempo and the WNBA. We expect to announce additional major rights renewals in the near future. These are important long-duration agreements that reinforce our position as Canada's leading sports broadcaster across TSN in English and RDS in French. Sports content is the single most powerful driver of live viewership, advertising, premium and subscriber retention, and we intend to maintain our leadership.

And on that note, and looking ahead, we're excited about the FIFA World Cup this summer. We have exclusivity on 104 games across our platforms, which presents a significant audience and monetization opportunity for Bell Media. The third element I want to highlight is our growing ability to monetize original content internationally.

Our Crave Original series, Yaga and the Office Movers, have been acquired by Sky for the UK and Ireland, and just last week, Yaga was acquired by AMC for the U.S. market, with additional territories expected to follow. This builds on the global success of Heated Rivalry, which continues to generate cultural impact through Q1, earning a Peabody Award, multiple Canadian Screen Awards, and a second season renewal. The key here is that they aren't one-offs. They reflect a deliberate strategy to invest in premium Canadian storytelling and then extend the value of that content across the full value chain, including through our majority ownership of Sphere Abacus, our global

content distribution arm. As a reminder, our focus is for Bell Media to deliver consistent annual revenue and adjusted EBITDA growth while contributing meaningfully to free cash flow for BCE. We're on pace to do exactly that in 2026.

I want to pause now on Slide 5 because I think it tells an important story. So, this is back to Bell AI Fabric. In the spirit of transparently tracking and communicating our progress on our strategic initiatives, let me provide you some more detail on the construction progress here. On the left, you can see our Mission Flats facility. That's the one in Kamloops, B.C., the very first one we opened last June. This is where Groq AI Inference Technology is live and serving workloads today. Our second facility is the one in Merritt, B.C., that went from dirt to a fully operational AI data centre in nine months. Together, these experiences gave us a proven, reproducible playbook for everything that's followed. And on the right is Saskatchewan.

This is what momentum looks like in real time. Our construction partners have mobilized on site. You can see the earthworks underway, site stripping, pilot testing heavy equipment on the ground. The development agreement has been approved by the rural municipality of Sherwood, and our development permit application is currently under review. We selected our early works contractors and over half a dozen additional trade contractors in the Regina region. Long lead equipment, including generators and cooling systems, have been ordered and are on schedule. We expect all major permits in place by July, and we remain on track for the first phase to come online in the first half of next year.

So, let's take a step back and look at the trajectory. A year ago, Bell AI Fabric was an idea and a single facility in Kamloops. Today, we have the data centres I summarized earlier and the line of sight to monetizing approximately 800 megawatts of power. Now turning to Slide 6. As you can see, we continue to track and measure ourselves against disciplined execution on the Investor Day targets we laid out last October. You see a sample of those metrics on the slide and the progress, and before I turn it over to Curtis in a moment, I want to touch on two more things: capital allocation and capital investment.

On capital allocation, we've been very consistent. In February 2025, we laid out a clear plan. Simplify the business, strengthen the balance sheet, focus capital on higher return opportunities. And we reinforced all of that at Investor Day with significant transparency around everything we were going to do. We're committed to continue to share our progress transparently and regularly, and that's what we continue to do today. Since then, we've been executing one step at a time. We completed the sale of our interest in MLSE at a 10-times return. We exited Bell Smart Home and, most recently, of course, the land mobile radio network services business divestiture. The roadmap hasn't changed. We're going to optimize the balance sheet. We're going to fund the strategic priorities, which are high growth, and we're going to return capital to shareholders through our sustainable dividend. And we're going to do that while maintaining the financial discipline and the flexibility to execute against our three-year plan. And a reminder, we're only one quarter into that three-year plan.

On CapEx, as early as 2023, we saw where the environment was headed. We made deliberate choices back then to reduce spending on legacy segments and reallocate investment to growth segments. That's what we've done. That's what we're going to continue to do. Our Canadian telecom CapEx has decreased by over \$2 billion from \$5.1 billion in 2022 to below \$3 billion in 2026. That's putting aside the highly accretive AI Fabric investments. Our underlying Bell CTS Canada capital intensity is approximately 12%, with wireless capital intensity at an industry low 7%.

Our Canadian telecom CapEx will continue to decline. In the current environment, we've seen others in the industry recalibrate their capital spending. We totally understand that because it's what we've been doing. We laid out this discipline clearly at Investor Day, and we've been executing against it for three plus years. But what makes our story different is where we're investing the capital we do deploy. We have a significant growth vector in AI-powered solutions that's intrinsically tied to our core business and that no one else in Canada has.

Our capital allocation is shifting toward higher-return growth opportunities like AI Fabric and our U.S. Fibre platform as we maintain discipline on the core telecom side.

Before I hand it over to Curtis, I want to acknowledge our entire Bell team. The results we're sharing today reflect the dedication and focus of everyone who works for this company across the country and in the U.S., serving our customers, growing the business and executing on the plan we've laid out. I'm proud of what the team is delivering. And Curtis, over to you now to take the team through the Q1 financial and operating results in detail. Thank you.

Curtis Millen – Executive Vice President and CFO: Thank you, Mirko and good morning, everyone. I'll begin on Slide 8 with BCE's consolidated financial results. Total revenue grew 4% in the quarter, driven by the contribution from Zply Fiber, and continued strong momentum at Bell Business Markets, where AI-powered solutions revenue more than doubled year over year. Adjusted EBITDA was up 2.9%, driven by the contribution from Zply Fiber and the flow through of higher product revenue. Adjusted EBITDA margin declined 40 basis points to 42.7%. As we previously indicated, the mix of growth in the business is evolving. Some of our higher growth services naturally carry a different margin profile than our legacy businesses, which tend to be higher margin. Our focus is on driving absolute adjusted EBITDA dollar growth and free cash flow growth. Adjusted EPS was down \$0.06 compared to last year, reflecting higher depreciation and amortization expense and interest costs consistent with our 2026 guidance assumptions.

On CapEx, the total capital expenditures were up 15.4%, reflecting Zply Fiber's fibre build-out in the U.S. and capital investments to support the growth of our Bell AI Fabric business as we build out data centres across Canada. Free cash flow increased 8% to \$804 million. I would note that beginning this quarter, we updated our definition of free cash flow to exclude income taxes paid on significant divestitures, which improves comparability quarter over quarter, year over year, and does not affect any previously reported amounts. In Q1, we paid \$542 million in income taxes related to the MLSC sale. That amount is excluded from the free cash flow figure I just referenced, but it does impact cash flows from operating activities, which analysts should keep in mind when reviewing the cash flow statement.

Turning to Bell CTS Canada on Slide 9. I want to highlight a few disclosure enhancements this quarter that we believe will be helpful for investors. First, we've updated our Internet subscriber metrics to include wholesale subscribers. This is consistent with how we reported prior to 2019 and reflects the impacts of the CRTC's mandated fibre access decision on how we operate the business. We've also introduced an additional residential FTTH metric. Previously reported 2025 figures have been restated for comparability. Second, we broaden our IPTV subscriber definition to include bundled streaming service subscribers, customers who subscribe to a package that includes at least one third-party streaming service and one BCE streaming service. This is now reported under a new video subscriber metric, and again, 2025 figures have been restated.

With that context, let me walk through the sub-metrics. Starting with wireless. The strength of our distribution network and the premium Bell brand helped deliver 16,947 postpaid mobile phone net adds in an unusually competitive quarter compared to a net loss of close to 10,000 in Q1 of last year. Postpaid churn was 1.34%. After three consecutive quarters of year-over-year improvement through Q4, the trend reversed in Q1, reflecting a higher number of switchers driven by some of the most aggressive competitive offers we've seen in a seasonally low volume quarter. As a competitive environment normalizes, we expect the improving trend to resume. Our customer-first initiatives continue to take hold. ARPU was down 0.8%, consistent with the Q4 decline, and significantly improved from the 1.8% decline in Q1 of last year. The decrease reflects the flow through of the more aggressive pricing environment.

We've been encouraged to see a return to more rational behaviour in April and continue to focus on premium Bell-branded subscribers and fibre-led bundling to support the quality of our subscriber base. Moving to the Internet. Residential fibre-to-the-home net adds, our new separately disclosed metric, totalled 42,750 in the quarter, a strong result. Where we have fibre, demand remains solid, and our market share position continues to be strong. Turning to video. Video net adds totalled 10,103 in the quarter compared to a net loss of close to 16,000 in Q1 of last year, an improvement of approximately 26,000 year over year. This was driven by strong uptake of the

streaming bundles we launched in the second half of last year, and it speaks directly to the product intensity momentum that Mirko referenced.

Turning to the financial results for Bell CTS Canada. Bell Business Markets was a clear highlight this quarter. BBM revenue grew 9.7% in Q1, driven by 113% growth in AI-powered solutions revenue. That's Ateko, Bell Cyber and Bell AI Fabric combined. All three components contributed to this growth result. Beginning in Q1, we're providing incremental transparency by disclosing BBM operating revenues with a service and product split, consistent with the transparency commitments we made at Investor Day. In late March, we launched our second Bell AI Fabric data centre in Merritt, B.C. Revenue and adjusted EBITDA were recognized upon delivery under finance lease accounting.

Going forward, we expect the majority of our AI Fabric agreements to be structured as operating leases, including our Winnipeg data center and our announced Saskatchewan data center. The accounting treatment has no impact on the free cash flow we expect to capture over the term of the agreement. Wireless service revenue was down 0.6%. The improving trajectory we saw through 2025 was disrupted by the competitive pricing environment in Q1. Wireless product revenue was down 6.3%, reflecting fewer device upgrades and lower contracted sales as the market shifted toward bring your own device activations.

Turning to Bell CTS U.S. on Slide 10. Zply Fiber continues to perform in line with our expectations and the plan we shared at Investor Day. Q1 total revenue was \$234 million. Adjusted EBITDA was \$102 million, representing a 43.6% adjusted EBITDA margin, an improvement from 43.1% in Q4. Adjusted EBITDA margin performance reflects continued operating discipline and efficiencies within the business. On the subscriber front, Zply added nearly 7,000 net new fibre-to-the-home customers in the quarter, penetration across new and existing markets, tracking consistent with historical cohort performance. Where we have fibre, we continue to win our share. Zply's plan to reach approximately 3 million fibre passings by the end of

2028 is on track as construction ramps through the balance of the year. We expect both operating and subscriber momentum to accelerate.

Over to Bell Media on Slide 11. Total revenue was up 0.4% in the quarter. Subscriber revenue grew 11.8%, driven by continued strength in Crave and Sports DTC streaming, as well as the benefit of a retroactive adjustment related to a contract renewal with a Canadian TV distributor. Advertising revenue was down 12.8%, reflecting continued softness in non-sports traditional advertising demand, lower audio revenue following last year's radio station divestitures, the absence of the prior year benefit from the Federal election and the shift of advertising dollars to the principal broadcaster of the 2026 Olympic Winter Games.

That said, our digital strategy continues to have significant momentum. Digital video advertising revenue grew 32% year-over-year, and total digital revenues now represent 46% of Bell Media revenue, up three points from a year ago. Operating costs were up 1.1%, driven by contractual content cost increases for premium sports and entertainment programming, partly offset by lower labour costs and operating efficiencies, resulting in an adjusted EBITDA decline of 2.5%. As Mirko noted, we remain on pace to deliver positive revenue and adjusted EBITDA growth for the full year.

Turning to the balance sheet on Slide 12, we ended Q1 with \$4.3 billion of total available liquidity, up from \$2.5 billion at year end, supported by a \$1.5 billion hybrid note issuance completed in February and a \$750 million public debt offering in late March. Our liquidity position is strong and provides significant financial flexibility. Our defined benefit pension plans remain in excellent shape with a solvency surplus of approximately \$4.5 billion and a solvency ratio of approximately 123%.

We continue to benefit from a full contribution holiday. Net debt leverage ratio was approximately 3.8 times at the end of Q1, essentially unchanged from year-end. A couple of important items to unpack here.

First, we paid \$542 million of cash taxes in Q1 related to the \$4.7 billion sale of our MLSC stake. That's a one-time cash outflow that is excluded from our free cash flow definition, but did reduce cash on hand in the quarter.

Second, our reported leverage still reflects only 8 months of Ziplly Fiber adjusted EBITDA in the trailing 12-month calculation. On a pro forma basis, adjusted to include a full 12 months of Ziplly Fiber adjusted EBITDA, our net debt leverage ratio would be approximately 3.7 times. Looking ahead, we have a clear line of sight to further deleveraging. The announced disposition of our land mobile radio network services business to Motorola Solutions Canada Networks Inc. for \$675 million is expected to close in Q4 2026 and, upon closing, will improve our net debt leverage ratio by approximately 0.4 times. We remain firmly on track to achieve our target net debt leverage ratio of 3.5 times by the end of 2027 and to move below that level in 2028 while we continue to fund our strategic growth priorities.

Turning to our 2026 financial targets on Slide 13. As a reminder, we updated our 2026 guidance on March 16th solely to reflect the expected financial impact of the Saskatchewan AI data centre. The table on the slide shows both the original February guidance and the revised March guidance side by side so you can see the impact of our build in 2026. We expect to begin recognizing revenue and adjusted EBITDA from Saskatchewan in 2027. We remain confident in our full-year guidance ranges. We're delivering on the commitments we made on deleveraging, on capital discipline and on free cash flow growth. With that, I'll turn the call back over to Kris and the operator to begin Q and A.

Kris Somers – Senior Vice President – IR: Thank you, Curtis. Before we start Q and A, I just want to remind everyone that due to time constraints this morning, because of our AGM taking place after this call, please limit yourselves to just one question and a brief follow-up so that we can get to as many in the queue as possible. With that, Matthew, we're ready to take our first question.

Operator: Okay, our first question is from Drew McReynolds from RBC. Please go ahead.

Drew McReynolds – RBC Capital Markets – Analyst: Yeah, thanks very much and good morning. Just, Mirko, on the regulatory environment. You know, I think it's a little bit confusing on the wireless side. There's some kind of archaic kind of price control type of things being implemented. On the wireline side, it looks like we've got a relatively constructive TPIA kind of final access rates on fibre. And then, out of Ottawa, it looks like they want to build, but sometimes that's not obvious in telecom. So, love to just to get a 30,000-foot updated view from you. And then in terms of the CapEx reduction across the space, just how could that evolve over time if the investment climate, that is, the regulatory environment, improves? Thank you.

Mirko Bibic – President and CEO: Thanks for the question, Drew. I think the company's-BCE's views on the regulatory environment are pretty well known. We've been staunch defenders of facilities-based competition. But facilities-based competition is premised on an environment where companies are encouraged to invest in their networks, and that drives long-term sustainable competition. So, I'm not going to kind of re-litigate all of that. I also don't intend to really re-litigate the wholesale access decision for fibre. Our views are well known on that. But when you put all these things together, whether or not it's the kind of more kind of micro rules that are coming out of wireless that you refer to or the bigger kind of more policy-oriented fundamental rules like fibre access, put all those together and clearly it's having an impact on investment in the industry.

And this is something that I personally have been talking about for as long as I've operated in the industry, which is January 2004. And I'm a staunch believer that if you create a framework that encourages investment, investment will come. And if you create an environment that discourages investment, investment will suffer. And you just take a look at now, I refer back to 2022 because that's when we started to pull back on core Canadian telecom CapEx. But if you just look at the capital investments over that short period of time in our industry on an annual basis, there's literally multiple billions of dollars of annual CapEx that are no longer being invested. So, I mean, that's frankly unfortunate.

Now, look what we're doing. We are, you know, we're being very, very disciplined in our core segment capital allocation, especially being very disciplined on legacy segments within, you know, the core business. Thankfully, and we saw this a couple of years ago, thankfully we've developed some highly differentiated opportunities where we can deploy capital in high growth, high return segments that aren't regulated. So that's how we've pivoted. If the environment for the core businesses in the country were to shift, I'm sure capital would flow back in. I'll leave it at that.

Drew McReynolds – RBC Capital Markets – Analyst: Okay, yeah. I'll leave it there as well. Just given the time. Thank you.

Operator: Thank you. Our next question is from Maher Yaghi from Scotiabank. Please go ahead.

Maher Yaghi – Scotiabank – Analyst: Great. Thank you for taking my question. I just wanted to double down on the Saskatchewan investment. So, you guys mentioned-you disclosed that you're going to get 400 million of prepayments and set up fees. Have you received any of those in Q1, or when should we expect to see those flow into your balance sheet, and will they show up in the cash flow statement in working capital, or you know, or deferred revenue is going to start showing those numbers? And the second question on that is can you provide some of the contractual protections you have with those customers in Saskatchewan if there were delays, downsizing or exits from them in terms of termination fees, minimum payments, credit support, etc. And again, finally, on that, with the schedule that you have to have a full capacity run rate by late 2027, what are the key building milestones that we should be thinking about in order to assess your advancement on that project? Thank you.

Curtis Millen – Executive Vice President and CFO: I'll jump in. Hi Maher. There's a lot to unpack, so we'll circle back if we miss anything. So no, in terms of spend to date, we have spent some CapEx in Saskatchewan, but it's less than \$20 million in the quarter. So again, some spending, we're off and running. But no payments that we've made that would then be refunded. Again, that would reduce our net capital at risk. But

that hasn't happened yet. I mean, ultimately, we're looking to spend more CapEx. I'd say Q2 and Q3 are going to be the heavier CapEx spends where purchase orders for equipment are, as Mirko said, over 90% of our equipment we have purchase orders. And so when that equipment starts coming in, CapEx will go up, and we'll make sure to disclose what is gross, what is net and what refunds have actually been credited along the way.

To flip to your next question, you know we do have standard protections, won't list them all, but it is a take or pay contract. So, it's not a contract where, okay, they only need 60% along the way and then ramps up. It's a take-or-pay contract. Then, in terms of milestones along the way, again, we'll be transparent. We'll provide information along the way. I think there are a few different phases. One is permitting and getting the site ready, which you see is well underway. So the earthworks, the piling. The second is putting up the four walls, which eventually you'll see on site. We're actually doing some prefab work off-site right now so that we again remain efficient in our timeline. So I would say prep work, prefab, start putting up walls, and then install gensets, cooling, etc. So we'll keep you abreast, but that's how I kind of bucket the different milestones.

Maheer Yaghi – Scotiabank – Analyst: Thank you, Curtis.

Operator: Thank you. Our next question is from Stephanie Price from CIBC World Markets. Please go ahead.

Stephanie Price – CIBC – Analyst: Hi, good morning. I'll stick with AI. And Mirko, I think you mentioned upside that you see to the \$2 billion 2028 AI-powered solutions revenue target. Just curious if you can give us any updates on line of sight to deploying the additional, I think it's about 400 megawatts of power, or any additional data points you have on the demand environment here.

Mirko Bibic – President and CEO: I think I shouldn't be too, too specific other than to say very high degree of confidence in our ability to monetize the 800 megawatts for a reasonable period of time. And that, that very high degree of confidence comes from

the nature of the discussions we're having with a number of significant, you know, potential customers. Very significant customers. So the conversations are in great shape, and that would be both on AI Fabric, and certainly, there's momentum in the parts of the AI solutions business that is outside the data centres, so the ancillary services, a lot of momentum there.

Again, if you take a look at AI-powered solutions generally and even if you pull out the Merritt facility, there's been strong growth there across Ateko and Bell Cyber. And just a reminder, just back to your question, Stephanie. And we did say put Saskatchewan aside because that was incremental. But if you go back to the fairly conservative 73 megawatts that we said we would monetize over a three-year period, we're already 40% of that 73 megawatts fully contracted, and we're only one quarter into a basically three-year guide. So didn't think we'd be 40% of the way there at the end of Q1 when we outlined the plan back in October. So that's why I'm expressing the high degree of confidence.

Stephanie Price – CIBC – Analyst: Thank you very much.

Operator: Thank you. Our next question is from Tim Casey from BMO Capital Markets. Please go ahead.

Tim Casey – BMO – Analyst: Yeah, good morning. Mirko, both you and Curtis, in your comments, talked about how, when pricing normalizes, coming out of Q1. Can you just walk through, you know why you think that? I mean, what's going to change in behaviour, given we're in a low-growth environment and a high-penetration environment? What gives you confidence that that pricing environment in both wireless and wireline is going to improve going forward?

Mirko Bibic – President and CEO: Thanks for the question, Tim. So I mean, the first data point is that you know, so far in Q2, we're only a month in, pricing has stabilized. So that's a positive sign. Now second point is just generally as we operate. When you're in a low growth environment, I subscribe to kind of what analysts like have been saying, which is in that low growth environment, pricing discipline should prevail over

everything else. I don't plan to get into who did what in Q1 and when, but I will emphasize what our plan has been, and it's a consistent focus on the premium Bell brand, where we have the better ability to increase product intensity.

And by the way, in product intensity, I'm obviously referring to both fibre and the streaming content bundles that we have. And we will have to continue to differentiate ourselves on customer experience. So we going back and at first signs in Q2 positive in terms of price stability. Secondly, we don't plan to lead on pricing, and we're going to focus on overall value prop. We're going to optimize lifetime economics. But ultimately, it is a competitive market, so we have to kind of check and adjust along the way every once in a while. But so far so good in Q2.

Tim Casey – BMO – Analyst: How about on the bundling side? Are you seeing any lessening or moderation of intensity there?

Curtis Millen – Executive Vice President and CFO: Hi, Tim. No, on the fibre-led bundling, it's actually up a little bit in Q1 versus our embedded base. So no signs of slowing down. Again, we do have the biggest fibre footprint in Canada, so we're certainly leveraging that product advantage.

Tim Casey – BMO – Analyst: Thank you.

Operator: Thank you. Our next question is from Sebastiano Petti from JP Morgan. Please go ahead.

Sebastiano Petti – J.P. Morgan – Analyst: Quick housekeeping question. If you could provide the, I guess, wholesale contribution to retail internet ads in the first quarter, because I think if you look at it on an adjusted basis, retail wholesale was a drag or a decline in Q1 of 2025. And so I wasn't sure if maybe you could provide us with the wholesale contribution in Q1 of 2026, we kind of have a like-for-like as we kind of think about the subsequent quarters.

So that's the first question. And second question, obviously lots of focus around, you know, satellite broadband and directed device, you know, connectivity on the

wireless side as well, I guess. Are you seeing any impact from satellite broadband in your maybe more rural non-fibre markets? Obviously, fibre wins in the FTTH footprint, but above and beyond that, are you seeing any maybe incremental nibbling on the margins there? And then, lots of headlines recently with AST, Space Mobile. I guess maybe help us think about how you see that product evolving over time, or what your kind of ambitions are there, obviously, and as you kind of see it as table stakes going forward, as you kind of think about your consumer-led or try to meet your consumers where they are in terms of product demand. Thank you very much.

Mirko Bibic – President and CEO: Thanks, Sebastiano. I'll do the second part, and then, Curtis, you can handle the first question. So, on the second part, we're really excited about our partnership with AST and the upcoming service that we'll be able to deliver to Canadian consumers to solidify the network experience they have with us, particularly on the direct-to-device side, where we don't have coverage.

So that's going to be the principal use case for us. But recognize that with AST, we'll be able to provide voice, broadband, streaming data, all of it. So quite excited about the partnership with AST and we're in the cap table, so we're excited about that too. So that's on AST, more broadly on satellite broadband and its impacts in rural areas. Satellite broadband, generally speaking, like now I'm going to give you a macro answer. We're not seeing it have an impact where we have fibre, and you can see it in our strong fibre numbers.

So, nothing replaces fibre frankly for broadband. In rural areas where we have legacy copper, low-speed DSL, and that's not competitive. So, whether or not it's a tier one cable, fixed wireless or satellite broadband, you can expect to continue losses where we have DSL. So you know, that's just the facts, and whether or not it's a satellite broadband or something else that's eating away at our customer base there kind of really doesn't matter which one it is. So that's kind of my answer there. I hope that's helpful, Sebastiano, on satellite broadband and on AST.

Curtis Millen – Executive Vice President and CFO: And Sebastiano, on the first part of your question, so we did restate 2025. So, it is apples to apples. And you know,

going forward, that is how we're going to report, and we do think it's just how we monetize the network in this current reg environment. So, we think it's more appropriate to share it on a combined basis. But again, it is apples to apples, period over period.

Sebastiano Petti – J.P. Morgan – Analyst: Yeah. So if we look at the new reporting versus the old reporting, you can see that there's a decline of call it 6000 in Q1, right? On your new reporting relative to your old reporting. So, I wasn't sure if there is wholesale is a contributing factor to the 14 or is it so, it would report it having been higher or lower without a wholesale, is the question essentially.

Curtis Millen – Executive Vice President and CFO: Yeah. I would assume wholesale impact year-over-year has had a bigger impact, given the reg environment. But again, it's still monetization of our network going forward. So you know, everything is driving revenue.

Mirko Bibic – President and CEO: And the retail performance remains quite strong. I mean retail, I mean the--our own branded performance remains quite strong.

Sebastiano Petti – J.P. Morgan – Analyst: That's awesome. Thank you, guys.

Operator: Thank you. Our next question is from Jerome Dubreuil from Desjardins Securities. Please go ahead.

Jérôme Dubreuil – Desjardins Securities – Analyst: Hey, good morning. Thanks for taking my questions. Two on AI Fabric. The first one is a follow-up to Stephanie's question on the 427 megawatt of power that is not contracted yet. You said you're pretty confident to be able to monetize that. Any chance you can talk about whether this could be made at a similar IRS and what you're talking about on the Saskatchewan side? And the second one on AI Fabric is if you can kind of quantify or talk about your ability to secure additional power going forward in Canada. Thank you.

Mirko Bibic – President and CEO: Thanks, Jerome. Yes, so the first question is: yes, we're still--we have our eyes set on or objective set on strong returns through

monetization of the remaining power we have access to. Remember, and I reiterated this in my opening remarks, our approach on all this is going to be return-led, demand-driven. So get the demand, sign the contracts, invest the capital, build, generate the returns.

So, return-driven demand, you know--return-led, demand-driven and on. You know, is there the possibility of having more than 800 megawatts to monetize? Yes, that is possible. We keep looking at opportunities. So we have nothing to announce in terms of access to power beyond 800 megawatts. But it's something we're looking at. If the opportunities arise, we will definitely seize upon them.

Jérôme Dubreuil – Desjardins Securities – Analyst: Thank you.

Operator: Thank you. Our next question is from Vince Valentini from TD Securities. Please go ahead.

Vince Valentini – TD Cowen – Analyst: Hey, thanks very much. Clarification first, Curtis, can you give us what the revenue and adjusted EBITDA was from the Merritt, B.C., facility this quarter? And then second, we're talking about these subs and the definition changes. Fine. It makes perfect sense to count wholesale and to count streaming subs. Can I just like make sure you're not changing any executive compensation formulas to give yourselves bonuses based on subs, given the change in definition? It's just you're changing it because you think that's a more transparent way to show it to us?

Mirko Bibic – President and CEO: No sub growth, sub volumes, connections, none of that is baked into any of the metrics for our compensation. Our compensation is based, and certainly the long-term compensation, Vince, as you know we've talked about this before, is based on driving free cash flow and hitting our leverage targets.

Curtis Millen – Executive Vice President and CFO: And then, Vince, your question on the AI Fabric, if you look to the product revenue change year-over-year, it's about \$100 million. You can--you know, roughly that's the impact of the finance lease facility.

Mirko Bibic – President and CEO: One more thing. Actually, on the--Okay, Vince, mind if I just jump in here on the question around the sub metrics and particularly around the content ones, because I think Curtis has handled already the fibre subs. But on the streaming bundles, let me explain that kind of the philosophy behind the change. If you go all the way back to 1999, when we launched satellite TV, what the Bell consumer business has been offering to consumers is bundled content. And that's what we offer. So that was satellite TV at first, and then we had Fibe TV Gen 1, Gen 2, Gen 3, and we're into hardware-free TV, and now we're into streaming content bundles. All of those is just about providing bundles of content to consumers. So we shouldn't kind of measure ourselves based on the technology we use to deliver that. It's the fact that we're delivering bundled content. That's why we changed the subscriber metrics for TV.

Vince Valentini – TD Cowen – Analyst: I appreciate that, Mirko. Just curious, sorry, on the \$100 million revenue. We could kind of derive that, I agree, from the product revenue. It's really the adjusted EBITDA on the margins. I mean, I assume this is positive margin product revenue, like 20%-25% margin. Is that somewhere in the ballpark?

Mirko Bibic – President and CEO: Yeah, I'd say it's a little higher than that and in line with the numbers we provided for the entirety of the 73 megawatt portfolio.

Vince Valentini – TD Cowen – Analyst: Thank you.

Mirko Bibic – President and CEO: Thanks, Vince.

Operator: Thank you. Our next question is from Batya Levi from UBS. Please go ahead.

Batya Levi – UBS – Analyst: Great, thank you. Can you talk a little bit about the trends that you're seeing in the US? Maybe in terms of the competitive intensity and pricing you're seeing in the market, and a quick reminder of Zply's contribution for revenue and adjusted EBITDA would be helpful. I think you had mentioned that you would expect revenues to grow double digits. Is that still the outlook? Thank you.

Mirko Bibic – President and CEO: So the first one--I'll take the first one. It's Mirko, Batya. So the underlying fundamentals for Ziplly are there. They remain there. The demand for fibre is very strong. Customers prefer fibre. There's no different in the U.S. than it is in Canada, as you know. And particularly, where we have fibre, the penetration gains are following the profile that you know, Ziplly has had since its inception and creation in 2020 and in line with what we see at Bell, where we have fibre. So all the, you know, the long-term economics all remain very, very supportive on that front. And, oh, as far as the competitive dynamics are concerned.

Again, so when I'm saying that our penetration gains where we have fibre remain as expected and in line with what we've seen in the past, that includes in the more recent period where some of the cable competitors have been more aggressive on pricing. And more recently, we've seen better stability or more stability on broadband pricing where we operate in the U.S. from our major competitors compared to perhaps the end of last year.

Curtis Millen – Executive Vice President and CFO: And then in terms of the contribution. So, in Q1, Batya, it's Curtis. Right, it's \$234 million of revenue and just over \$100 million of adjusted EBITDA. So you know, representing growth if you just multiply it by four versus the 0.9 that we talked about in 2025 for Ziplly Fiber. But ultimately, the growth for us is continue to drive our footprint expansion, leverage our partnership with PSP to fund incremental footprint build. I would say Q1 of 2026 was the first time that Network FibreCo actually deployed capital.

So that will continue to ramp and continue to help Ziplly drive penetration and subscriber growth. And the real growth metric for us is by the time we get to 2028. Right? Drive way more subs and significant revenue and adjusted EBITDA growth. So kind of short-term percent growth will be good but you know, we're looking for total dollars of contribution as we continue to ramp and get through some of the initial ramp. So 2027, 2028 financials are what I'm focused on.

Batya Levi – UBS – Analyst: Got it. Thank you.

Operator: Thank you. Our next question is from Matthew Griffiths from Bank of America. Please go ahead.

Matthew Griffiths – Bank of America – Analyst: Hi. Thanks for taking the question. I just wanted to circle back again to the AI-powered solutions revenue. So just some clarifications. Maybe just for my benefit. But for the AI Fabric, is all of that revenue going to get grouped into the product revenue as these facilities come online, and then the growth in AI-powered solutions revenue overall seems to be--and maybe you can get some colour on, you know, the other like Ateko and Bell Cyber's contribution to that growth, because just it's partially because of the Merritt facility being delivered.

That was near the end of the quarter, and I can't imagine that was at that stage a really big driver of the year-over-year increase. Just you know, maybe some details on the other part of the three-legged stool that is driving that line would be helpful. Thanks.

Curtis Millen – Executive Vice President and CFO: Sure. Hi, Matt, it's Curtis. So the Merritt facility is recognized as a finance fee. So yes, it does benefit the product revenue, and that's the roughly \$100 million year-over-year increase that you would see there. So the first two facilities, Mission Flats and Merritt both accounted for as finance leases. Again, the accounting, the revenue and adjusted EBITDA accounting follows the contract. There is no difference at all in free cash flow.

We capture free cash flow over the term of the contract. So, we'll continue to reap the free cash flow benefit over time. The Winnipeg facility is operating lease, that's why you don't see much of a benefit in this quarter. But again, free cash flow over time, service revenue and adjusted EBITDA over time, as well as CapEx. So again, for Winnipeg, operating lease, you saw CapEx in Q1 we actually spent, but you haven't seen the impact or the benefit of revenue and adjusted EBITDA.

And then when you look at Saskatchewan again, that's an operating lease. So you're seeing the burden of CapEx hit our financials. But revenue will be service revenue over time, and adjusted EBITDA would be captured over time as well. And we

do expect the majority of our AI Fabric contracts signed going forward to have operating lease treatment.

Matthew Griffiths – Bank of America – Analyst: Okay, got it. And then the contribution of the, you know, to the growth from Bell Cyber or Ateko, or are you just saying it's the results from AI Fabric?

Mirko Bibic – President and CEO: No, if you strip away AI Fabric from AI-powered solutions revenue, so Ateko and Bell Cyber collectively are both growing and collectively north of 30% year-over-year growth.

Matthew Griffiths – Bank of America – Analyst: Okay, thanks.

Kris Somers – Senior Vice President – IR: Well, I think that that was our last question, just given the timing here. So thank you all again for your participation on the call this morning. Richard and I will be available throughout the day for follow-up questions or clarifications. Thank you to all, and have a great day.

Mirko Bibic – President and CEO: Thanks, everyone.

Curtis Millen – Executive Vice President and CFO: Thanks.

Operator: Thank you. The conference has now ended. Please disconnect your lines at this time, and we thank you for your participation.