

# Q2 2025 Results Conference Call

August 7, 2025



# Bell

# Safe harbour notice

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Certain statements made in this presentation are forward-looking statements. These forward-looking statements include, but are not limited to: statements relating to BCE's 2025 financial guidance (including revenue, adjusted EBITDA, capital intensity, adjusted EPS, free cash flow and annualized common share dividend); BCE's capital allocation priorities; BCE's net debt leverage ratio and net debt leverage policy target expected to be reached by the end of 2027 and by 2030, respectively; BCE's expected long-term common share dividend payout policy target range; BCE's objective to create long-term value for its shareholders; the acquisition of Northwest Fiber Holdco, LLC (doing business as Ziplly Fiber (Ziplly Fiber)); certain potential benefits expected to result from this acquisition including Ziplly Fiber's target number of fibre locations to be reached by the end of 2025 and by 2028, Ziplly Fiber's expected revenues and adjusted EBITDA in 2025, Ziplly Fiber's expected fibre subscriber growth and fibre footprint growth in 2025 and the U.S. fibre market growth platform expected to be provided by Ziplly Fiber; the formation of Network FiberCo, a long-term strategic partnership to accelerate the development of fibre infrastructure through Ziplly Fiber in the United States; certain potential benefits expected to result from the formation of the strategic partnership including the potential total number of combined BCE-Ziplly Fiber-Network FiberCo fibre locations to be reached over the long term and the expected effect of the strategic partnership on BCE's capital intensity ratio beyond 2025; the launch of Bell AI Fabric; certain potential benefits expected to result from this launch including the expected level of future revenue and adjusted EBITDA stream to result from this initiative and the expected level of investment required to achieve them; BCE's anticipated reductions in capital expenditures in 2025; BCE's net debt leverage ratio expected to be reached by the end of 2025; BCE's business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. 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 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. These statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. For a description of such assumptions and risks, please consult BCE's 2024 Annual MD&A dated March 6, 2025, as updated in BCE's 2025 First and Second Quarter MD&As dated May 7, 2025 and August 6, 2025, respectively, and BCE's news release dated August 7, 2025 announcing its financial results for the second quarter of 2025, all filed with the Canadian provincial securities regulatory authorities (available at [sedarplus.ca](https://sedarplus.ca)) and with the U.S. Securities and Exchange Commission (available at [sec.gov](https://sec.gov)), and which are also available on BCE's website at [BCE.ca](https://BCE.ca). The forward-looking statements contained in this presentation describe our expectations at August 7, 2025 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 presentation, whether as a result of new information, future events or otherwise.

# Focused capital allocation priorities

1

## Optimize the Balance Sheet

- Accelerate deleveraging  
Net debt leverage ratio<sup>(1)</sup>
  - Focus on reaching ~3.5x by end of 2027
  - Target 3.0x by 2030
- Optimize cost of capital
  - Leverage strategic partnerships

2

## Execute on Strategic Priorities

- Put the customer first
- Deliver the best fibre and wireless networks
- Lead in enterprise with AI-powered solutions
- Build a digital media and content powerhouse

3

## Return Capital to Shareholders

- Sustainable dividend paying company
  - \$1.75 / common share
  - 40%-55% of FCF dividend payout<sup>(2)</sup> policy
- Focus on growing total shareholder returns

**Strategy focused on creating long-term value for shareholders**

<sup>(1)</sup> Net debt leverage ratio is a capital management measure. Refer to section *Capital management measures* in the Appendix to this document for more information on this measure.

<sup>(2)</sup> Dividend payout ratio is a non-GAAP ratio. Refer to section *Non-GAAP ratios* in the Appendix to this document for more information on this measure.

# Put the customer first

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Your Time  
Matters



We Keep  
Our Promises



We Make It  
Intuitively  
Easy



One Bell  
Experience

Powered by AI

**Making it easy for customers to do business with Bell**

# Q2 highlights & progress on strategic priorities

## Put the customer first

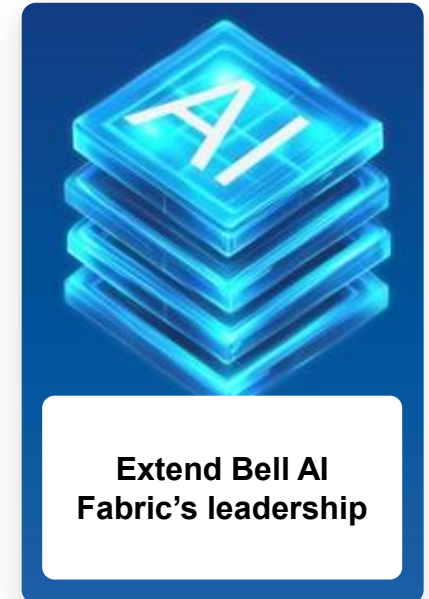
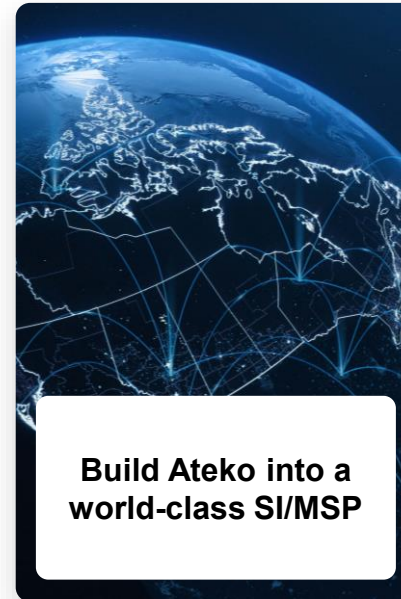
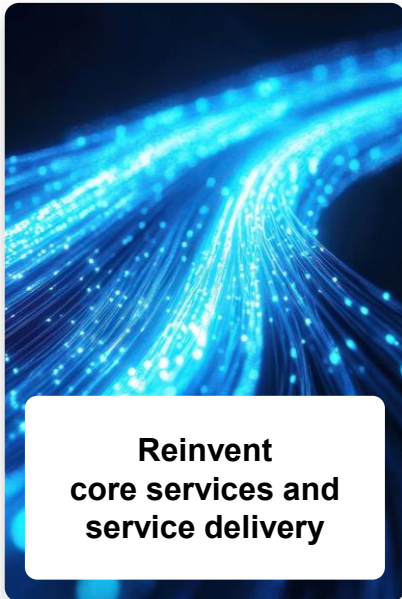
- **Enhanced Self-Install program**
  - 90% self-install take rate with over 1M self-installs performed since 2022
- **AI-driven Virtual Repair tool**
  - 1.2M technician support calls eliminated since 2022
- **Gen AI Virtual Assistant**
  - Chat VA: 7M+ customer sessions since launch with over 50% of problems solved without going to live agent
  - Voice VA: AI Virtual Agent technology to be rolled out in voice agent later this year

## Deliver the best fibre and wireless networks

- **Zipty Fiber acquisition successfully completed on August 1<sup>st</sup>**
  - Secured all regulatory approvals and closed transaction several months earlier than expected
  - Sale of non-core MLSE ownership stake for \$4.7B in cash (~\$4.2B after-tax) completed on July 1<sup>st</sup> with net proceeds applied to fund the acquisition of a core business growth driver
  - BCE acquisition of Zipty Fiber and long-term strategic partnership with PSP Investments create a North American fibre broadband leader with potential for 16M combined fibre locations
- **Pure fibre Internet continuing to drive solid subscriber growth and higher product intensity**
  - 27k consumer retail FTTH Internet net additions, total Internet revenue up ~3%
- **Households in fibre footprint subscribing to Mobility + Internet bundles up 8% y/y**
  - 40% of new retail Internet activations subscribing to a service bundle with wireless
- **Wireless momentum**
  - Postpaid churn<sup>(1)</sup> improved 0.12 pts to 1.06% – first quarter of y/y improvement since Q3'22
  - 191,981 total mobile phone and connected device net additions
  - All new net postpaid mobile phone additions on main premium Bell Mobility brand

<sup>(1)</sup> Mobile phone churn is defined as the rate at which existing mobile phone subscribers cancel their services.

# Bell Business Markets – Strategic Focus



# Q2 highlights & progress on strategic priorities (cont'd)

## Lead in enterprise with AI-powered solutions

- **Record Bell Business Markets revenue growth driven by positive contributions from all 4 vectors: core connectivity & communication services, cybersecurity, Ateko and Bell AI Fabric**
- **Launch of Bell AI Fabric, creating the largest AI compute infrastructure project in Canada with a national network upwards of 500 MW**
  - Positioned to lead in full-stack sovereign AI solutions by leveraging extensive fibre network, access to secured low-cost power, and strategic and customer relationships
  - Significant future revenue and adjusted EBITDA stream with manageable investment reflected in leverage and capital intensity targets

## Build a digital media and content powerhouse

- **9% increase in digital revenues<sup>(1)</sup>**
- **Innovative streaming and advertising offerings and partnerships announced at June Upfront**
  - Expansion of Crave to offer CTV, Noovo, entertainment, news, select sports, and a larger kids collection
  - New streaming bundle offers that include Disney+, Crave and TSN for the Canadian market
  - Integration of the Bell Marketing Platform into The Trade Desk, providing advertisers with seamless access to Bell's premium first-party data and custom audience-building capabilities

<sup>(1)</sup> Digital revenues are comprised of advertising revenue from digital platforms including web sites, mobile apps, connected TV apps and OOH digital assets/platforms, as well as advertising procured through Bell digital buying platforms and subscription revenue from direct-to-consumer services and Video on Demand services

# Q2 operating metrics

## Wireless

**44,547**

### Postpaid net adds

- Balancing volume growth with economics
- All net adds on main premium Bell brand

**1.06%**

### Postpaid churn rate

**Down 0.12 pts y/y**

- First quarter of y/y improvement in churn since Q3'22

**49,932**

### Prepaid net adds

**Relatively stable y/y**

**\$57.61**

### Blended ARPU<sup>(1)</sup>

**Down 0.7% y/y**

- 3<sup>rd</sup> straight quarter of improvement in y/y rate of decline

## Wireline

**26,583**

### Retail FTTH Internet net adds

- 69% of EOP subscribers on fibre, up 6 pts

**~50%**

### Internet households subscribing to a Mobility + Internet service bundle

**(15,851)**

### Retail IPTV net adds

**44,700**

### Retail residential NAS net losses

**Improved 16.1% y/y**

## Media

**8.1%**

### Subscriber revenue growth

**4.1M**

### Crave subscribers

**Up 29% y/y**

- 72% growth in DTC subscribers

### English TV

#### CTV #1 for 24<sup>th</sup> straight year<sup>(2)</sup>

- Most-watched F1 race on record<sup>(3)</sup>

### French TV

#### #1 Entertainment Specialty/Pay<sup>(4)</sup>

- 2 of top 5 shows<sup>(5)</sup>

<sup>(1)</sup> Mobile phone blended ARPU is defined as Bell CTS wireless external services revenues, divided by the average mobile phone subscriber base for the specified period, expressed as a dollar unit per month. In Q4 2024, we removed 124,216 Bell prepaid mobile phone subscribers from our prepaid mobile phone subscriber base as at December 31, 2024, as we stopped selling new plans for this service as of that date. In Q3 2024, we removed 77,971 Virgin Plus prepaid mobile phone subscribers from our prepaid mobile phone subscriber base as at September 30, 2024, as we stopped selling new plans for this service as of that date.

<sup>(2)</sup> CTV: Numeris, 2024-25 broadcast YTD, Total Canada, A25-54

<sup>(3)</sup> F1 Grand Prix du Canada: Numeris, TSN/CTV, Total Canada, P2+, on record in the PPM era in English Canada

<sup>(4)</sup> Numeris, French Quebec, Q2'25, Rank among French Entertainment Specialty & Pay broadcasters, P2+ and A25-54

<sup>(5)</sup> Numeris, French Quebec, SP'25 (Apr 7th-Jun 15th), Rank among French Entertainment Specialty regular shows (3+ airings), A25-54

**Leveraging our broadband networks and products to deliver profitable, margin-accretive customer growth with higher product intensity**





# Financial Results

# Consolidated financial results

(\$M) except per share data	Q2'25	Y/Y
<b>Revenue</b>	<b>6,085</b>	<b>1.3%</b>
Service	5,267	(0.8%)
Product	818	17.4%
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>2,674</b>	<b>(0.9%)</b>
Margin <sup>(2)</sup>	43.9%	(1.0 pts)
<b>Net earnings</b>	<b>644</b>	<b>6.6%</b>
<b>Statutory EPS</b>	<b>0.63</b>	<b>6.8%</b>
<b>Adjusted EPS<sup>(1)</sup></b>	<b>0.63</b>	<b>(19.2%)</b>
<b>Capital expenditures (capex)</b>	<b>763</b>	<b>22.0%</b>
Capital Intensity <sup>(3)</sup>	12.5%	3.8 pts
<b>Cash flows from operating activities</b>	<b>1,947</b>	<b>(8.9%)</b>
<b>Free cash flow (FCF)<sup>(1)</sup></b>	<b>1,152</b>	<b>5.0%</b>

- Revenue up 1.3% y/y – significant benefit from Bell Business Markets
- Adjusted EBITDA down 0.9%
- Net earnings and statutory EPS up 6.6% and 6.8%, respectively
- Adjusted EPS down 19.2% y/y due to higher FX losses, higher interest expense, lower tax adjustments and lower adjusted EBITDA
- Capex \$215M lower y/y, reflecting planned spending reduction of ~\$500M in 2025
- FCF up 5.0% to \$1,152M in Q2

<sup>(1)</sup> Adjusted EBITDA is a total of segments measure, adjusted EPS is a non-GAAP ratio and free cash flow (FCF) is a non-GAAP financial measure. Refer to section *Total of segments measures*, section *Non-GAAP ratios* and section *Non-GAAP financial measures* in the Appendix to this document for more information on these measures.

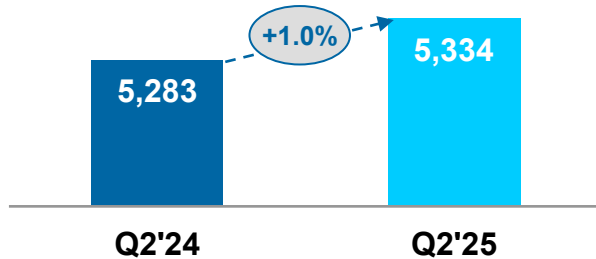
<sup>(2)</sup> Adjusted EBITDA margin is defined as adjusted EBITDA divided by operating revenues.

<sup>(3)</sup> Capital intensity is defined as capital expenditures divided by operating revenues.

**Financial results reflect developing operational momentum and execution discipline**

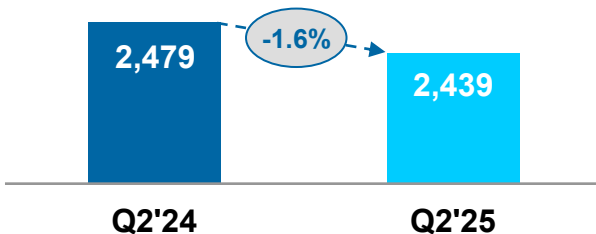
# Bell Communication & Technology Services

## Revenue (\$M)



- Revenue increase due to Bell Business Markets, Internet and higher sales of wireless devices
- Bell Business Markets revenues up, driven by strong demand for Ateko managed services, cybersecurity and Bell AI Fabric
  - First AI data centre launched in June with revenue recognized at time of delivery

## Adjusted EBITDA (\$M)

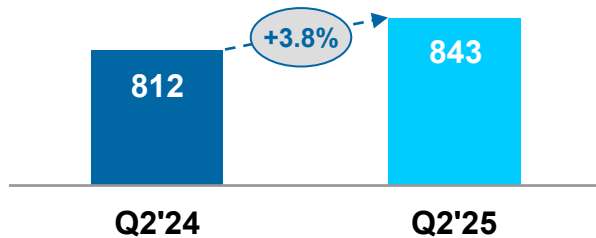


- Total Internet revenue up ~3% supported by fibre
- Wireless service revenue down 0.3% vs. decline of 0.8% in Q1
  - Competitive pricing pressures over the past year partly offset by benefit of G7 Summit
- Adjusted EBITDA down 1.6% y/y reflecting higher costs associated with product revenue growth

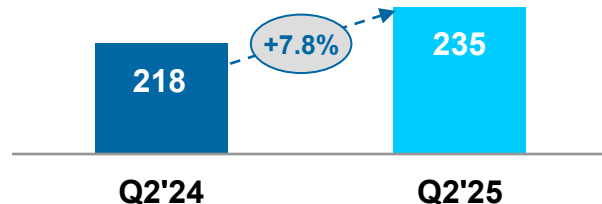
**Positive revenue growth reflects momentum in AI-powered technology solutions and fibre**

# Bell Media

## Revenue (\$M)



## Adjusted EBITDA (\$M)



- **5<sup>th</sup> consecutive quarter of revenue and adjusted EBITDA growth**
- **Total revenue up 3.8% y/y**
  - Digital revenues increased 9% and now represent 43% of total media revenue, up 2 pts from Q2'24
  - F1 Canadian Grand Prix growth
- **Subscriber revenue up 8.1% y/y on continued strong Crave and sports DTC streaming growth**
- **Advertising revenue down 3.1% on lower y/y advertiser demand for traditional broadcast TV and radio station divestitures**
- **Adjusted EBITDA up 7.8% y/y, yielding 1.1-point margin increase to 27.9%**

**Crave streaming and digital video advertising driving Bell Media growth**

# Balance sheet & liquidity update

## Available liquidity<sup>(1)</sup>

**\$3.8B**

incl. \$507M in cash

\*At June 30, 2025

## Net debt leverage ratio

**~3.5x**

\*At June 30, 2025

## Solvency ratio<sup>(2)</sup>

**~121%**

\*Aggregate of BCE DB plans at June 30, 2025

- **\$3.8B total available liquidity at end of Q2**
- **DB pension plans solvency surplus at \$4.1B**
  - Solvency ratio remains comfortably above 105%
- **Net debt leverage ratio of ~3.5x at end of Q2**
- **Targeting year-end 2025 net debt leverage ratio of ~3.8x reflecting impact of MLSE sale and Zipy Fiber acquisition**
  - MLSE net sale proceeds of ~\$4.2B used towards total cash financing requirement at closing of ~\$5B
  - Zipy Fiber outstanding net debt of ~\$2.6B assumed at closing

<sup>(1)</sup> Available liquidity is a non-GAAP financial measure. Refer to section *Non-GAAP financial measures* in the Appendix to this document for more information on this measure.

<sup>(2)</sup> Pension plan solvency ratio is defined as post-employment benefit assets on a solvency basis divided by post-employment benefit liabilities on a solvency basis, calculated in accordance with the Pension Benefits Standards Act, 1985 and its related regulation (PBSA). The Office of the Superintendent of Financial Institutions by way of the PBSA requires companies to perform solvency valuations, including the calculation of pension plan solvency ratios, for federally registered pension plans on a periodic basis. A solvency valuation basis assumes termination of the pension plans on the valuation date.

**Ongoing focus on balance sheet optimization, while maintaining financial flexibility to fund strategic priorities**

# Zipty Fiber: leading fibre provider in U.S. Pacific Northwest



- **Zipty Fiber delivering consistently strong financial results and fibre momentum**
  - Revenue<sup>(1)</sup> of ~US\$710M in 2025E: >10% y/y growth
  - Adjusted EBITDA<sup>(1)(2)</sup> of ~US\$335M in 2025E: >20% y/y growth
- **~440K retail Internet subscribers, including ~375K on fibre**
  - Fibre subscriber growth: >20% in 2025E
- **1.5M total fibre passings expected by the end of 2025**
  - Fibre footprint growth: ~20% in 2025E
  - ~2.0M Zipty Fiber owned total fibre passings expected by 2028
  - Partnership with PSP Investments provides path to 8M fibre locations
- **Substantial fibre penetration runway**
  - Mature markets: 40%+; recent markets: 23%
  - Blended penetration: ~30%
  - Over 40% of fibre locations built in the last 4 years
- **Low deployment cost of ~US\$1,000 per fibre location**

<sup>(1)</sup> Zipty Fiber pre-acquisition estimate; not aligned with BCE accounting policies. Zipty Fiber's financial statements are prepared under U.S. GAAP and are based upon non-public information made available by Zipty Fiber to BCE. Such information has not been verified independently by BCE. See the Appendix to this document for more information.

<sup>(2)</sup> Zipty Fiber Adjusted EBITDA is a non-GAAP financial measure. Refer to section *Non-GAAP financial measures* in the Appendix to this document for more information on this measure. For the year ended December 31, 2024, Zipty Fiber net loss and adjusted EBITDA were US(\$161M) and US\$276M, respectively.

## Key metrics

**2.0M**

Total Passings  
(Current)

**1.5M**

Fibre Passings  
(2025E)

**~440K**

Retail Internet  
subscribers  
(June 30, 2025)

**~85%**

Retail Internet  
subscribers on fibre  
(June 30, 2025)

**~60%**

Revenue from fibre

**~70%**

Revenue from  
Consumer + SMB

**~US\$710M**

Revenue<sup>(1)</sup>  
(2025E)

**~US\$335M**

Adjusted EBITDA<sup>(1)(2)</sup>  
(2025E)

**Zipty Fiber to operate as a separate business unit with results reported separately**

# Updated financial targets for 2025

BCE	Prior Guidance	Current Guidance
Revenue growth <sup>(1)</sup>	(3%) to 1%	0% to 2%
Adjusted EBITDA growth <sup>(1)</sup>	(2%) to 2%	0% to 2%
Capital intensity <sup>(2)</sup>	~14%	~15%
Adjusted EPS growth <sup>(3),(4)</sup>	(13%) to (8%)	(13%) to (10%)
Free cash flow growth <sup>(5)</sup>	11% to 19%	6% to 11%
Annualized common share dividend	\$1.75	No change

<sup>(1)</sup> For 2025, we expect wireless and broadband competitive pricing flowthrough pressure from 2024, lower subscriber loadings, decreased wireless product sales and higher media content and programming costs to impact revenue and adjusted EBITDA.

<sup>(2)</sup> For 2025, we expect a slowdown of our fibre build in Canada and efficiencies from transformation initiatives to drive lower capital expenditures.

<sup>(3)</sup> For 2025, we expect increased interest expense, higher depreciation and amortization expense, and a higher number of common shares outstanding due to the implementation in January and April 2025 of a discounted treasury DRP to drive lower adjusted EPS. On May 7, 2025, BCE terminated the discounted treasury issuance feature under the DRP.

<sup>(4)</sup> Revised adjusted EPS guidance as of August 7 does not reflect any purchase price allocation (PPA) due to Zipy Fiber acquisition as valuation has not yet been completed.

<sup>(5)</sup> For 2025, we expect lower capital expenditures to drive higher free cash flow.

- Increased revenue and adjusted EBITDA guidance reflects Zipy Fiber acquisition

- 5-month contribution in 2025

- Adjusted EPS guidance reflects higher depreciation & amortization and interest expense related to Zipy Fiber acquisition

- Does not reflect any purchase price allocation (PPA) due to Zipy Fiber acquisition as valuation not yet completed

- Higher capital intensity guidance due to 5 months of Zipy Fiber capex

- Pro forma combined company capital intensity ratio beyond 2025 expected to be maintained at ~14.5% reflecting partnership with PSP Investments

- Free cash flow guidance revised downwards to reflect capex required for Zipy Fiber fibre passings

- Guidance ranges do not reflect pending Northwestel divestiture

**Zipy Fiber acquisition enhances BCE's long-term growth and diversifies our operating mix by providing a platform to support continued fibre growth and expansion**

# Key financial assumptions for 2025

BCE (including Zipl Fiber) (\$M except per share data)	2024	2025E
Post-employment benefit plans service cost	208	~205
Net return on post-employment benefit plans	66	~100
Depreciation & amortization expense	5,041	~5,200 to 5,250
Interest expense	1,713	~1,800 to 1,850
Average effective tax rate	60.6%	~17%
Non-controlling interest	31	~60
Payments under other post-employment benefit plans	61	~60
Contributions to post-employment benefit plans	52	~40
Income taxes paid (net of refunds)	783	~700 to 800
Interest paid	1,759	~1,875 to 1,925
Weighted average BCE common shares outstanding	912.3	~930
Annualized dividend per common share	\$3.99	\$1.75





# Appendix

# Non-GAAP and other financial measures

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BCE uses various financial measures to assess its business performance. Certain of these measures are calculated in accordance with IFRS® Accounting Standards or GAAP while certain other measures do not have a standardized meaning under GAAP. We believe that our GAAP financial measures, read together with adjusted non-GAAP and other financial measures, provide readers with a better understanding of how management assesses BCE's performance.

National Instrument 52-112, *Non-GAAP and Other Financial Measures Disclosure (NI 52-112)*, prescribes disclosure requirements that apply to the following specified financial measures: (i) non-GAAP financial measures; (ii) non-GAAP ratios; (iii) total of segments measures; (iv) capital management measures; and (v) supplementary financial measures. This Appendix identifies and classifies the specified financial measures contemplated by National Instrument 52-112 that we use in this presentation to explain our financial results except that, for supplementary financial measures, an explanation of such measures is provided where they are first referred to in this presentation if the supplementary financial measures' labelling is not sufficiently descriptive.

The description of, and certain information about, Ziplly Fiber included in this presentation is based upon non-public information made available by Ziplly Fiber to BCE. Such information has not been verified independently by BCE. Accordingly, an unavoidable level of risk remains regarding the accuracy and completeness of the information regarding Ziplly Fiber and contained in this presentation. Ziplly Fiber prepares and presents financial statements in accordance with U.S. GAAP. This Presentation refers to financial measures presented by Ziplly Fiber such as Ziplly Fiber adjusted EBITDA which are not recognized under U.S. GAAP and which may not be comparable to similar measures presented by BCE or other companies.

# Non-GAAP and other financial measures (cont'd)

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## **Non-GAAP financial measures**

### **Adjusted net earnings**

Adjusted net earnings is a non-GAAP financial measure and it does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 9.1, *Non-GAAP financial measures – Adjusted net earnings*, of BCE's 2025 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to net earnings attributable to common shareholders, being the most directly comparable financial measure under IFRS Accounting Standards.

### **Available liquidity**

Available liquidity is a non-GAAP financial measure and it does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 9.1, *Non-GAAP financial measures – Available liquidity*, of BCE's 2025 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to cash, being the most directly comparable financial measure under IFRS Accounting Standards.

### **Free cash flow**

Free cash flow is a non-GAAP financial measure and it does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 9.1, *Non-GAAP financial measures – Free cash flow, free cash flow after payment of lease liabilities and excess free cash flow*, of BCE's 2025 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to cash flows from operating activities, being the most directly comparable financial measure under IFRS Accounting Standards.

# Non-GAAP and other financial measures (cont'd)

## Non-GAAP financial measures (cont'd)

### **Ziply Fiber adjusted EBITDA**

The term Ziply Fiber adjusted EBITDA does not have any standardized meaning under IFRS Accounting Standards or U.S. GAAP. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define Ziply Fiber adjusted EBITDA as net earnings (loss) before restructuring and other costs, depreciation and amortization, interest expense, pension related expenses (gains), losses (gains) on debt extinguishment, divestiture process costs, network related expenses and income taxes, in U.S. dollars, per Ziply Fiber's consolidated financial statements.

We use Ziply Fiber adjusted EBITDA and we believe that certain investors and analysts use this measure, among other ones, to assess the performance of Ziply Fiber without the effects of restructuring and other costs, depreciation and amortization, interest expense, pension related expenses (gains), losses (gains) on debt extinguishment, divestiture process costs, network related expenses and income taxes, in U.S. dollars, per Ziply Fiber's consolidated financial statements. We exclude these items because they affect the comparability of Ziply Fiber's 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 directly comparable financial measure under U.S. GAAP is net earnings (loss). The following table is a reconciliation of net loss to Ziply Fiber adjusted EBITDA on a consolidated basis.

(\$M in U.S. dollars)	December 31, 2024
Net loss	(161)
Depreciation and amortization	215
Interest expense	158
Pension related	(2)
Loss on debt extinguishment	38
Restructuring and other costs <sup>(1)</sup>	16
Divestiture process costs <sup>(1)</sup>	8
Network related expenses	3
Income taxes	1
<b>Ziply Fiber adjusted EBITDA</b>	<b>276</b>

<sup>(1)</sup> Disclosed within *Selling, general and administrative expenses* in Ziply Fiber's annual consolidated statements of operations

# Non-GAAP and other financial measures (cont'd)

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## Non-GAAP financial measures (cont'd)

### **Net debt**

Net debt is a non-GAAP financial measure and it does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 9.1, *Non-GAAP financial measures – Net debt*, of BCE's 2025 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to long-term debt, being the most directly comparable financial measure under IFRS Accounting Standards.

## Non-GAAP ratios

### **Adjusted EPS**

Adjusted EPS is a non-GAAP ratio and it does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. We define adjusted EPS as adjusted net earnings per BCE common share. Adjusted net earnings is a non-GAAP financial measure. For further details on adjusted net earnings, refer to the previous *section Non-GAAP financial measures*. Refer to section 9.2, *Non-GAAP ratios – Adjusted EPS*, of BCE's 2025 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning adjusted EPS.

### **Dividend payout ratio**

Dividend payout ratio is a non-GAAP ratio and it does not have any standardized meaning under IFRS Accounting Standards. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. We define dividend payout ratio as dividends paid on common shares divided by free cash flow. Free cash flow is a non-GAAP financial measure. For further details on free cash flow, refer to the previous *section Non-GAAP financial measures*. Refer to section 9.2, *Non-GAAP ratios - Dividend payout ratio and dividend payout ratio after payment of lease liabilities*, of BCE's 2025 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning dividend payout ratio.

## Total of segments measures

### **Adjusted EBITDA**

Adjusted EBITDA is a total of segments measure. We define adjusted EBITDA as operating revenues less operating costs as shown in BCE's consolidated income statements. Refer to section 9.3, *Total of segments measures – Adjusted EBITDA*, of BCE's 2025 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to net earnings, being the most directly comparable financial measure under IFRS Accounting Standards.

# Non-GAAP and other financial measures (cont'd)

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## Capital management measures

### **Net debt leverage ratio**

The net debt leverage ratio is a capital management measure and represents net debt divided by adjusted EBITDA. Net debt used in the calculation of the net debt leverage ratio is a non-GAAP financial measure. For further details on net debt, refer to the previous section *Non-GAAP financial measures*.

For the purposes of calculating our net debt leverage ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA. We use, and believe that certain investors and analysts use, the net debt leverage ratio as a measure of financial leverage.