



Bell

**Goldman Sachs
Communacopia XVIII
Conference**

September 17, 2009

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President & Chief Executive Officer

Safe harbour notice

This presentation contains forward-looking statements with respect to items such as revenue, EBITDA, earnings per share, adjusted earnings per share, average revenue per user, free cash flow, capital intensity, dividends and other statements that are not historical facts. Several assumptions were made by BCE in preparing these forward-looking statements and there are risks that actual results will differ materially from those contemplated by the forward-looking statements. As a result, we cannot guarantee that any forward-looking statement will materialize and you are cautioned not to place undue reliance on these forward-looking statements. For additional information on such assumptions and risks, please consult BCE's 2008 Annual MD&A dated March 11, 2009, included in the BCE 2008 Annual Report and BCE's 2009 First Quarter MD&A and Second Quarter MD&A dated May 6, 2009 and August 5, 2009, respectively, both filed with the Canadian securities commissions and with the SEC and which are also available on BCE's website.

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Company overview

Canada's largest communications company

- 22 million customers coast to coast
- Revenues of ~\$18 billion
- Enterprise value ~\$34 billion
- 50,000 employees nationwide



Service and product portfolio

- HD leader Bell TV
- Bell Mobility and Virgin Mobile
- High speed Bell Internet
- Bell Home phone
- Bell Business Markets

Focused on key drivers of value

Our Goal

To be recognized by customers as Canada's leading communications company

5 Strategic Imperatives

- 1 **Achieve a competitive cost structure**
- 2 **Improve customer service**
- 3 **Leverage wireline momentum**
- 4 **Accelerate wireless**
- 5 **Invest in broadband network & services**

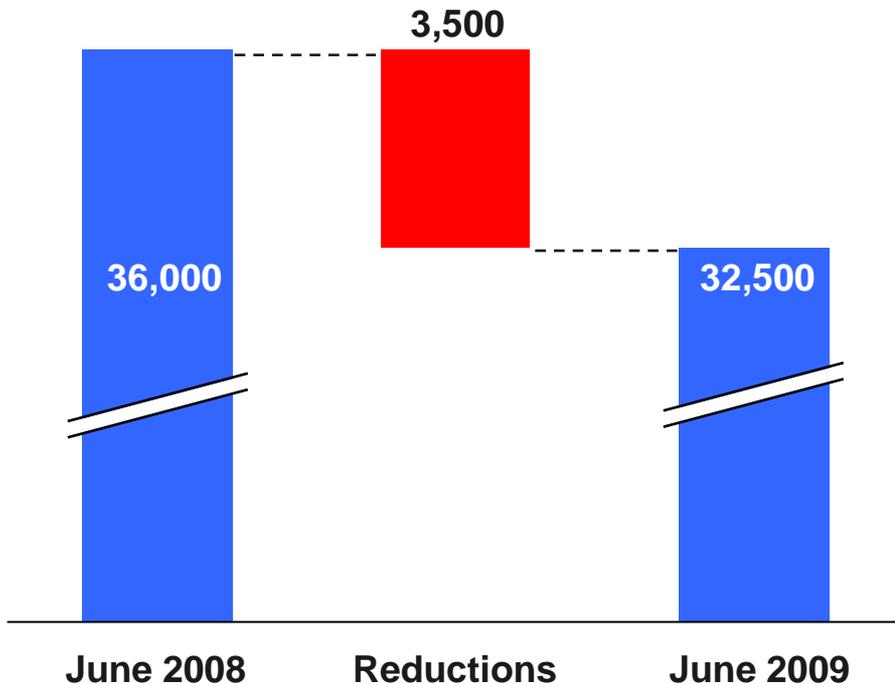


Strategic imperative 1 :

**Achieve a competitive
cost structure**

Streamlined organizational structure

Bell wireline labour force



Streamlined organization at Bell

- ✓ Executive team from 17 to 12
- ✓ 30% reduction in SVP and VP positions
- ✓ Removed 3 layers of management
- ✓ Reduced 8% of workforce and 15% of management
- ✓ Implemented Pay-for-performance culture
- ✓ Integrated Enterprise, SMB and Bell West units to achieve efficiencies

Retirement incentive for ~1,300

Bell Aliant 15% management reduction

- ✓ Complete

Driving productivity

Efficiency and contracts

- Field force productivity
 - 2,000 new Bell trucks
 - GPS-equipped for better efficiency
- Renegotiated contracts with key IT vendors
- Real estate consolidation (3 main campuses)
 - Moved out of 40 locations in past two years

Insourcing, outsourcing and offshoring

- Non-customer affecting
- Call centre/IT/back office
- Call centres consolidated from 33 to 27 with more to come

Reduced discretionary spend

- Consulting expense down dramatically
- 47 ad agencies to 11
- Eliminated ~7,000 corporate credit cards

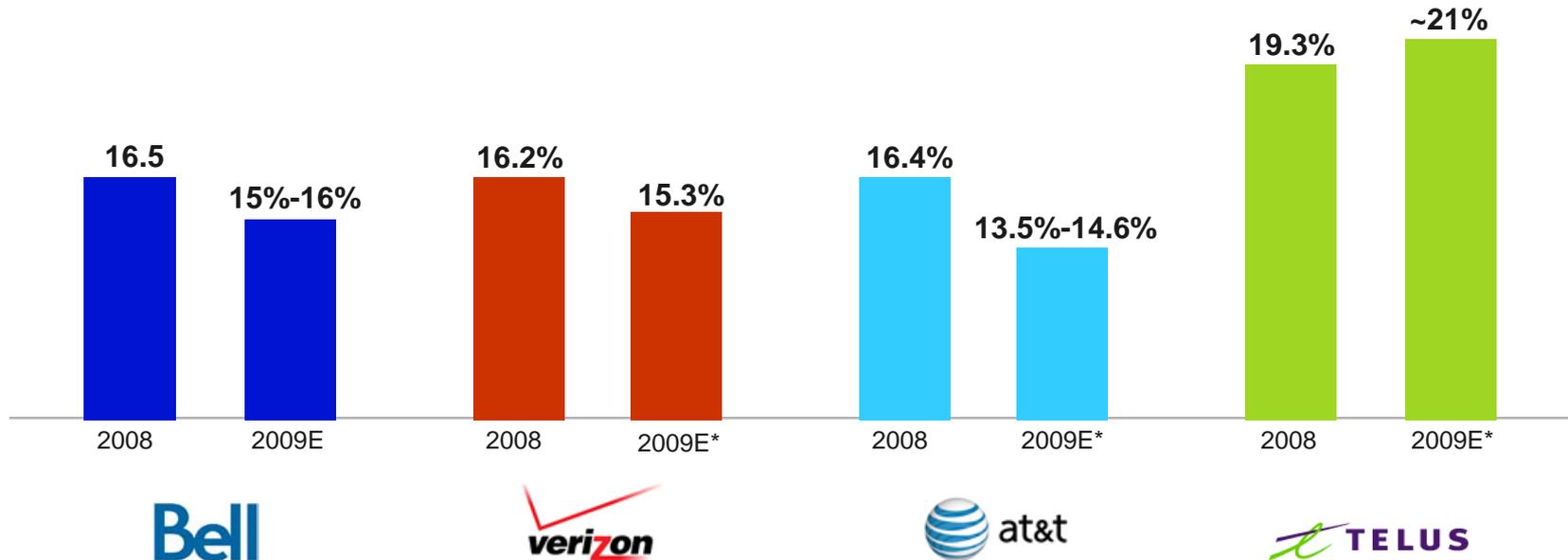
Exited non-core businesses

- Bell Business Solutions (SMB)
- Bell New Ventures
- Expertech U.S.
- BCE Merchant Services
- BCE Capital

Disciplined capital management

Capital intensity

- Rigorous capital governance in place -- single company priorities list
- YTD'09 Capital Intensity on track at 16.0%



Source: Company guidance and First Call analyst estimates

Bell/BCE investing over \$2.5 billion in 2009





Strategic imperative 2 :

Improve customer service

New service model

Full in-home service



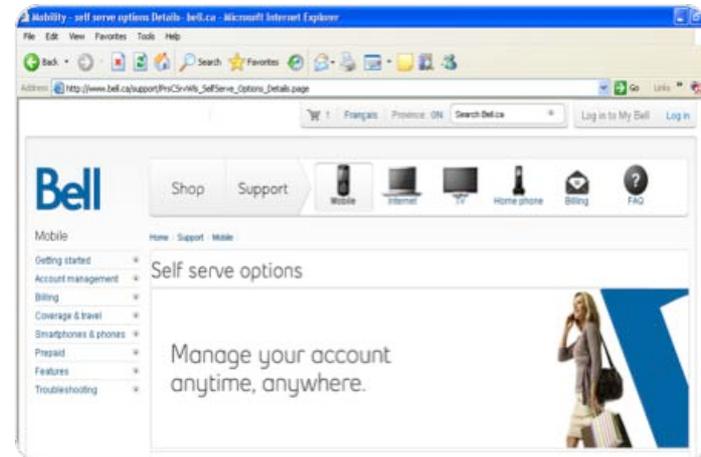
Better in-store experience



Quality focus



Online self-serve



Service just got better

Service enhancements

Better results

Same Day Next Day

- 94% completion rate

Express Install

- Customers paying for premium install service
- Solid momentum with new orders increasing monthly

Full Install

- Offered to all new broadband subscribers
- Targetting more than 300k installs in 2009

Business markets

- 18% fewer data and broadband outages year over year
- IP network stability surpasses standards with 99.9998% availability



Get it all
with the Bell Install



TV • Internet • Home phone
Sit back while our technicians:

- Hook up your Bell receiver to both your TV and home theatre¹
- Optimize your receiver settings for a sharper picture
- Program the universal remote so you'll only ever need one
- Set up wireless Internet throughout your home – a Bell exclusive
- Ensure you're getting the maximum speed from your Internet connection
- Configure your email and browser
- Connect the most reliable home phone service²

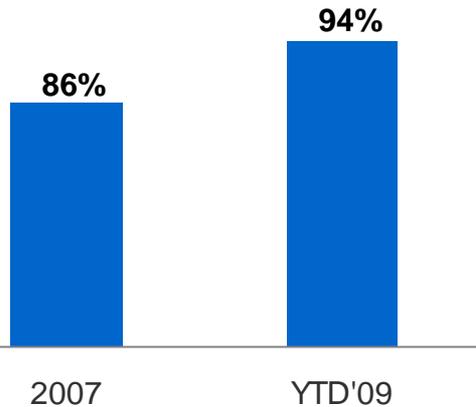
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Bell your home just got better

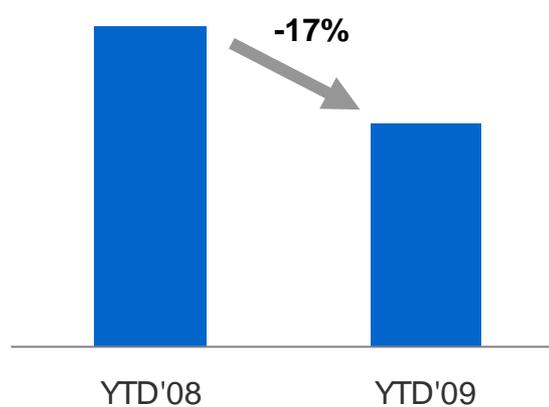
Available in Ontario and Québec; customers where technology and direct line of sight permits. Service conditions apply; see bell.ca/whofirstmoverincluded/TV and bell.ca/whofirstmoverincluded/Internet. © Customer name profile visible. SM Compared to cable telephone. 310-BELL is a trade mark of Bell Canada.

Measurable call centre improvement

Same Day / Next Day



Fewer repair calls



Call volumes drop

- 17% fewer repair calls per year

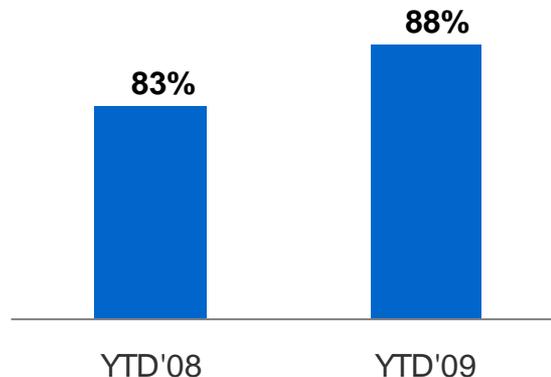
Customer satisfaction increases

- Internet satisfaction up ~20% y/y

Key service desks move onshore

- ~1 million calls moved from India to North America

Repair call satisfaction



Best overall satisfaction in over 4 years



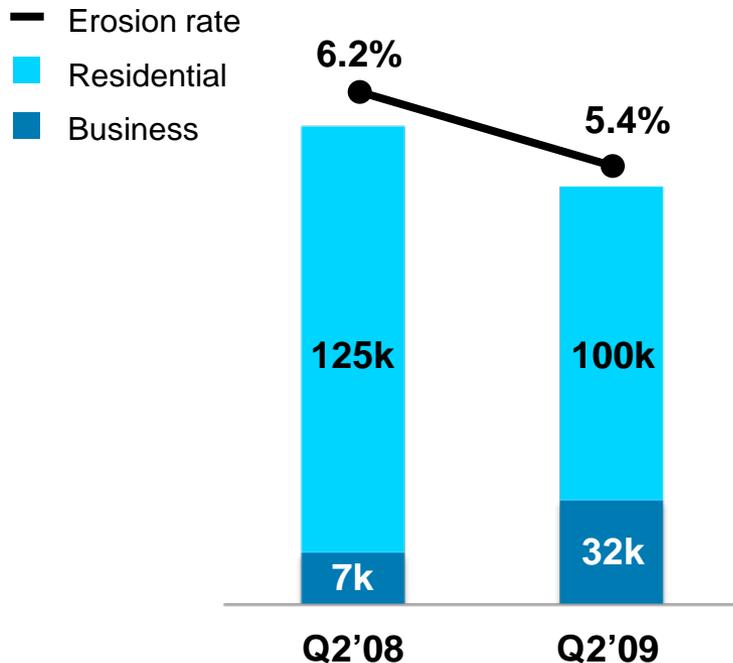


Strategic imperative 3 :

Leverage wireline momentum

Slowing telephone line losses

Fewer local line losses



Significant improvement

- 20% fewer residential NAS losses y/y
- Bundles contributing to improved trend in residential NAS erosion
- Ongoing service improvement and winbacks
- High business line losses driven by softer economy

Residential line losses have improved for 7 consecutive quarters



Bell TV continues to outperform

Retail ARPU



EBITDA



Strong revenue and EBITDA growth

- Revenue up 9.3% y/y
- EBITDA up 93.6% y/y
- Industry-leading churn of 1.1%
- Net adds of 20k in Q2'09 – best result since Q4'06
- Approx. 1.9M TV subscribers

Growing our HD leadership

- Most HD channels in Canada
- HD and PVR penetration over 25%
- Available now at The Source
- Agreement with TELUS to distribute satellite TV in Alberta & BC

The best HD service.
THE MOST HD CHANNELS. THE BEST HD PVR ▶

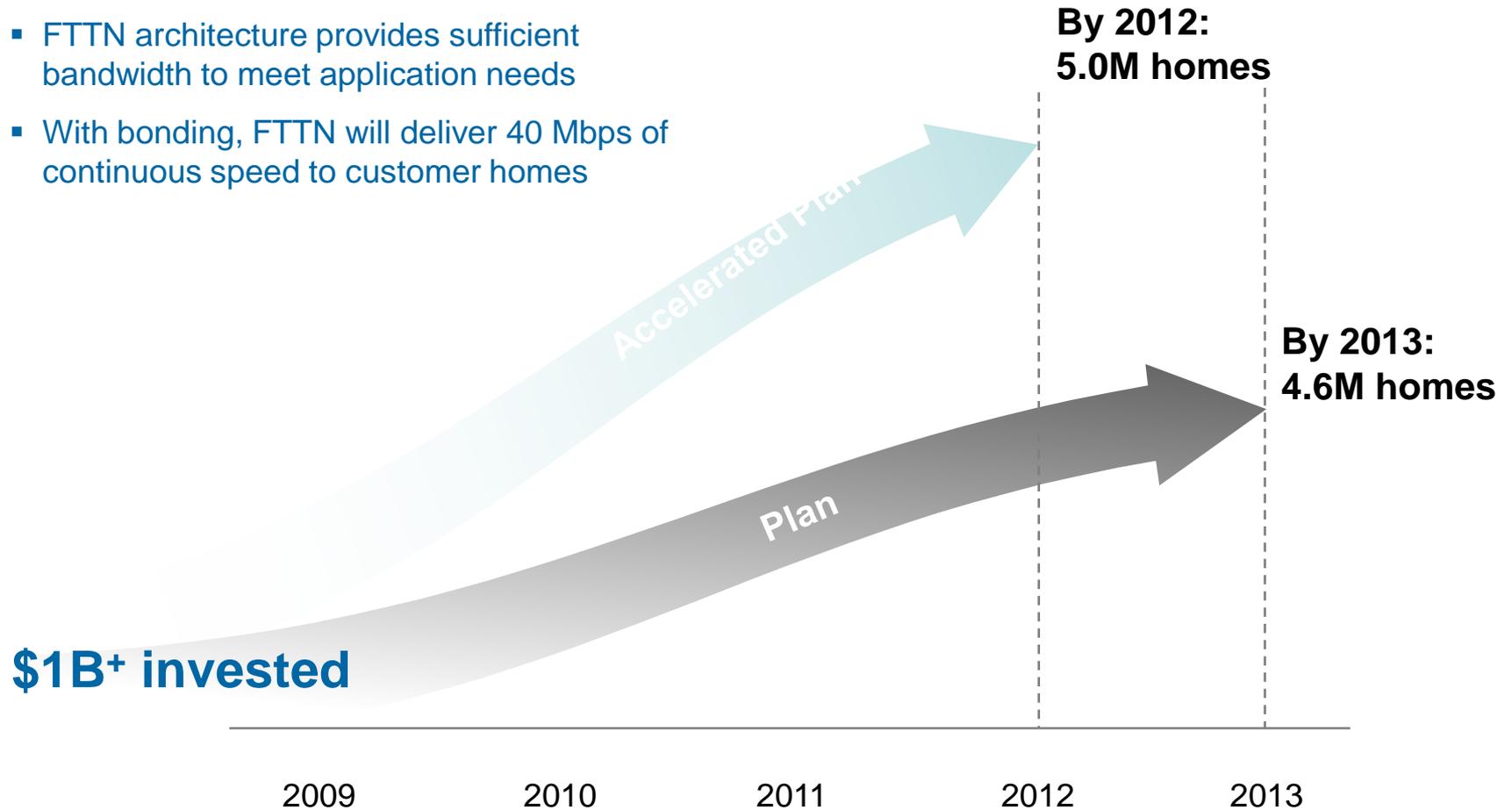


Outperforming our competitors



Accelerated fibre broadband investment

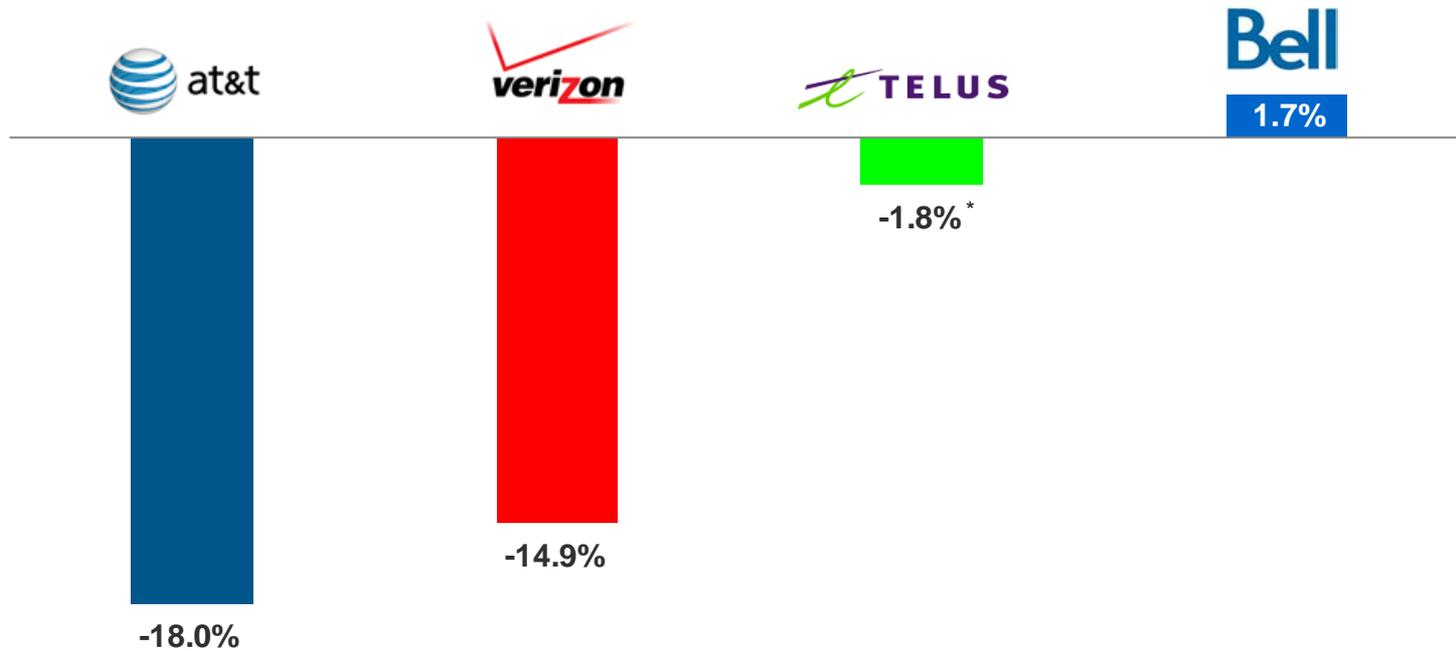
- 2.7M homes passed at end of Q2'09
- FTTN architecture provides sufficient bandwidth to meet application needs
- With bonding, FTTN will deliver 40 Mbps of continuous speed to customer homes



Best-in-class wireline EBITDA performance

Wireline EBITDA growth

Telco peer performance benchmark: Q2'09



* TELUS EBITDA has been adjusted to exclude restructuring costs for comparability.

Leading our North American peers



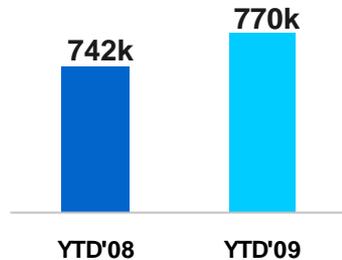


Strategic imperative 4 :

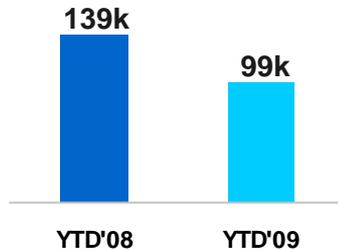
Accelerate wireless

Wireless performance

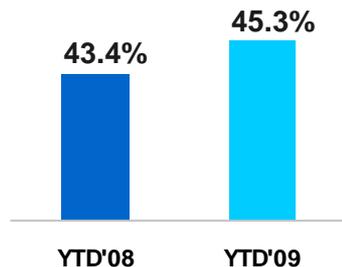
Gross adds



Postpaid net adds



EBITDA margin*



EBITDA



* Margin based on service revenue

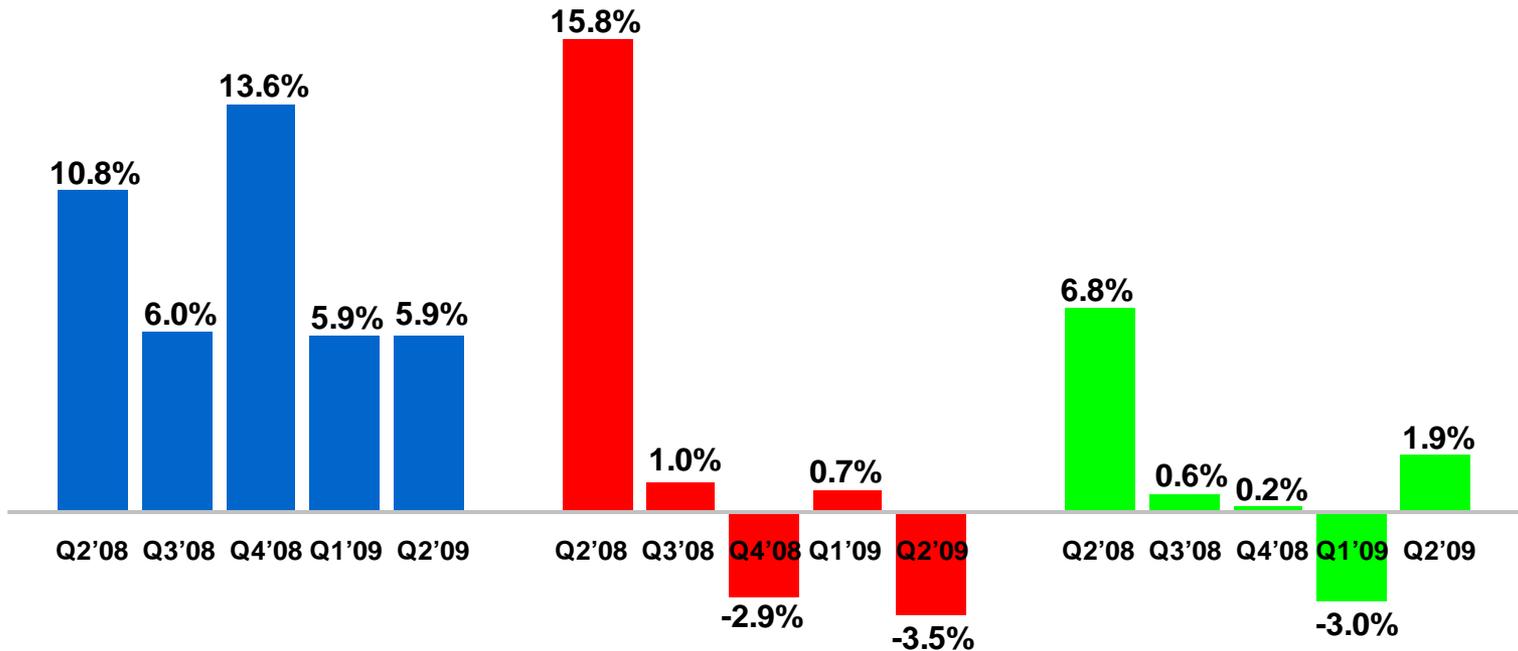
- **Net adds and ARPU reflect impact of weak economy and competitive pressures**
 - ARPU decline due to lower usage and roaming
 - Higher postpaid churn contributed to lower net adds
- **However, Q2'09 ended on strong trajectory**
 - June '09 was best month for subscriber acquisition since December '08
- **Wireless data revenue growth of 31% in YTD'09**
 - Data device subscribers up 135% y/y
 - HSPA launch to accelerate data opportunity
- **Wireless EBITDA growth of 5.9% leads the Canadian industry**
 - Tight control over retention and labour costs
 - Disciplined COA, despite strong smartphone sales

Positive catalysts being put in place for improved performance in 2010

Wireless EBITDA growth in difficult environment

Wireless EBITDA growth

- Four consecutive quarters of leading EBITDA growth versus peers
- Reflects disciplined customer acquisition and retention spending



Bell

ROGERS

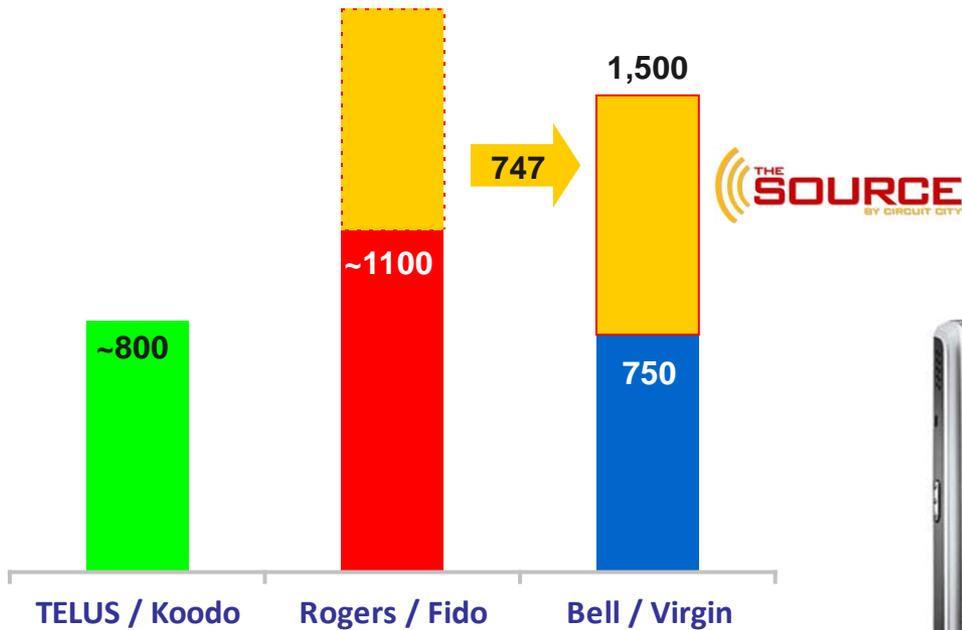
TELUS

Increasing wireless EBITDA margin for Bell

Bell

Distribution game changer

Exclusive carrier points of distribution



Includes dealer channels
Source: BCE estimates – June 2009

The Source

- 747 retail stores nationally
- 7-year track record of profitability
- Access to desirable traffic: more than 80M shoppers annually
- Bell wireless at The Source Jan. 2010



Enhanced distribution will drive activations and market share



Acquisition of Virgin Mobile's 50% stake



- Acquisition completed July 1st
- Leverage Virgin's significant brand awareness
 - Continued global marketing support from Virgin Group
 - Long-term extension of brand licensing agreement
- Maximizes Bell's flanker brand flexibility
- Leverage distribution
 - Strong brand appeal drives incremental retail traffic
- Compelling value
 - Net purchase price of \$102M (reflects access to tax losses valued at \$40M)

Consistent with strategic imperative to accelerate wireless

Next generation wireless network

- Global HSPA standard
- Path to next generation data services
- Maximum choice in handsets
- International roaming
- More ubiquitous rural coverage
- Bell/TELUS agreement lowers capital requirement and accelerates time-to-market

HSPA.
MOBILE BROADBAND TODAY



Launching network by early 2010

Bell



Strategic imperative **5** :

**Invest in broadband
networks & services**

Building platforms for the future

Wireless

HSPA ready by early 2010

- Accelerated time to market
- Joint build reduces capital requirement by 50%
- Global standard and path to next generation data services

Broadband

Accelerating FTTN deployment

- Advanced by one year
- ~\$700M cumulative investment over next 3 years
- 175 condos set up for fibre

Business

#1 IP MPLS network in North America

- Reduced outages for Enterprise customers
- IP growth of 35% in 2008
- Increased video conferencing

High Definition TV

Launching new satellites dedicated to Bell TV

- Nimiq 4 launched in 2008
- Nimiq 5 – in production



Capital structure

Capital structure model

1

Maintain strong credit profile

- Solid investment grade metrics
- Ample access to short- and long-term capital

2

Ensure ample liquidity

- Strong, reliable cash flow generation
- Attractive debt maturity profile

3

Maximize total shareholder return

- Target dividend payout ratio of 65%-75% of Adjusted EPS*
- Return excess cash to shareholders

* Before restructuring and other and net gains (losses) on investments

Strong capital structure and prudent financial policy



Capital structure model

1

Maintain strong credit profile

- Ratings confirmed (June 23)
- Credit ratios maintained comfortably within policy ranges

2

Ensure ample liquidity

- Repaid \$1.35B of 2009 debt maturities
 - Further \$150M to be repaid in Dec'09 with cash on hand
- Issued \$1B of debt at attractive rate to pre-fund 2010 maturities
 - \$600M of 2010 debt redeemed early and repaid
- \$1.4B three-year credit facility renewed (May 7)

3

Maximize total shareholder return

- 5% share buyback completed (May 5)
- 5% dividend increase (February 11)
- 5% dividend increase (August 6)

Balancing shareholder returns with strong credit profile



Delivering on dividend growth model

Dividend increase

- 5% dividend increase effective with October 15th payment
- 2nd increase in 2009
- Reflects favourable YTD earnings and cash flow performance

Dividend payout*

- Higher dividend keeps payout ratio at low end of 65%-75% target range

* Payout ratio based on Adjusted EPS, which is equivalent to EPS before restructuring and other and net gains (losses) on investments

Returning cash to shareholders

(Annualized common dividend per share)



Driving shareholder value through dividend growth

Looking forward

- **Continue to drive 5 strategic imperatives**
- **Maintain strong focus on operational execution**
 - Step-up in revenues
 - Continue driving out costs
 - Keep HSPA rollout and FTTN deployment on track
- **Execute on wireless strategic initiatives**
 - Launch of HSPA network in early 2010
 - Introduce Bell Mobility and Virgin in The Source stores on January 1, 2010
 - Leverage new roaming opportunities
 - AT&T wireless roaming agreement
- **Upward guidance revision and dividend increase on August 6th reinforces momentum in execution of strategic priorities**

Bell today
just got
better