Q2

Supplementary Financial Information

Second Quarter 2011

BCE Investor Relations
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BCE Inc. [1]

Consolidated Operational Data

($ millions of Canadian dollars, except per share amounts) (unaudited)	**Q2 2011**	Q2 2010	$ change	% change	**YTD 2011**	YTD 2010	$ change	% change
Operating revenues	**4,955**	4,440	515	11.6%	**9,421**	8,873	548	6.2%
Operating costs [A]	**(2,908)**	(2,548)	(360)	(14.1%)	**(5,482)**	(5,175)	(307)	(5.9%)
Pension current service costs	**(61)**	(49)	(12)	(24.5%)	**(120)**	(102)	(18)	(17.6%)
EBITDA [3]	**1,986**	1,843	143	7.8%	**3,819**	3,596	223	6.2%
EBITDA margin [5]	***40.1%***	*41.5%*		*(1.4) pts*	***40.5%***	*40.5%*		-
Depreciation	**(638)**	(595)	(43)	(7.2%)	**(1,249)**	(1,181)	(68)	(5.8%)
Amortization of intangible assets	**(183)**	(183)	-	-	**(362)**	(363)	1	0.3%
Severance, acquisition and other costs	**(219)**	(15)	(204)	n.m.	**(280)**	(47)	(233)	n.m.
Finance costs								
Interest expense	**(226)**	(170)	(56)	(32.9%)	**(417)**	(342)	(75)	(21.9%)
Interest on employee benefit obligations	**(247)**	(248)	1	0.4%	**(489)**	(496)	7	1.4%
Interest on fund unit liability	**-**	(93)	93	100.0%	**-**	(185)	185	100.0%
Expected return on pension plan assets	**259**	224	35	15.6%	**513**	449	64	14.3%
Other income	**145**	39	106	n.m.	**123**	308	(185)	(60.1%)
Earnings before income taxes	**877**	802	75	9.4%	**1,658**	1,739	(81)	(4.7%)
Income taxes	**(194)**	(172)	(22)	(12.8%)	**(393)**	(375)	(18)	(4.8%)
Net earnings	**683**	630	53	8.4%	**1,265**	1,364	(99)	(7.3%)
Net earnings attributable to:								
Common shareholders	**590**	605	(15)	(2.5%)	**1,093**	1,311	(218)	(16.6%)
Preferred shareholders	**31**	27	4	14.8%	**60**	56	4	7.1%
Non-controlling interest	**62**	(2)	64	n.m.	**112**	(3)	115	n.m.
Net earnings	**683**	630	53	8.4%	**1,265**	1,364	(99)	(7.3%)
Net earnings per common share - basic	**$ 0.76**	$ 0.80	$ (0.04)	(5.0%)	**$ 1.43**	$ 1.72	$ (0.29)	(16.9%)
Net earnings per common share - diluted	**$ 0.76**	$ 0.80	$ (0.04)	(5.0%)	**$ 1.43**	$ 1.72	$ (0.29)	(16.9%)
Dividends per common share	**$ 0.5175**	$ 0.4350	$ 0.0825	19.0%	**$ 1.010**	$ 0.8700	$ 0.1400	n.m.
Average number of common shares outstanding - basic (millions)	**776.6**	759.7			**764.8**	762.6		
Average number of common shares outstanding - diluted (millions)	**777.1**	760.1			**765.3**	762.9		
Number of common shares outstanding (millions)	**777.5**	759.1			**777.5**	759.1		
Adjusted Net Earnings and EPS								
Net earnings attributable to common shareholders	**590**	605	(15)	(2.5%)	**1,093**	1,311	(218)	(16.6%)
Severance, acquisition and other costs	**162**	6	156	n.m.	**202**	31	171	n.m.
Net gains on investments	**(89)**	(8)	(81)	n.m.	**(89)**	(133)	44	33.1%
Fair value adjustment on fund unit liability	**-**	(16)	16	100.0%	**-**	(163)	163	100.0%
Adjustment to reflect interest on fund unit liability as non-controlling interest	**-**	8	(8)	100.0%	**-**	16	(16)	(100.0%)
Adjusted net earnings attributable to common shareholders	**663**	595	68	11.4%	**1,206**	1,062	144	13.6%
Impact on net earnings per share	**$ 0.10**	$ (0.02)	$ 0.12	n.m.	**$ 0.15**	$ (0.33)	$ 0.48	n.m.
Adjusted EPS [4]	**$ 0.86**	$ 0.78	$ 0.08	10.3%	**$ 1.58**	$ 1.39	$ 0.19	13.7%

[A] Excludes pension current service costs

n.m. : not meaningful

BCE Inc.
Consolidated Operational Data - Historical Trend

($ millions of Canadian dollars, except per share amounts) (unaudited)	**YTD 2011**	**Q2 11**	Q1 11	Total 2010	Q4 10	Q3 10	Q2 10	Q1 10
Operating revenues	**9,421**	**4,955**	4,466	18,069	4,679	4,517	4,440	4,433
Operating costs [(A)]	**(5,482)**	**(2,908)**	(2,574)	(10,684)	(2,882)	(2,627)	(2,548)	(2,627)
Pension current service costs	**(120)**	**(61)**	(59)	(200)	(49)	(49)	(49)	(53)
EBITDA	**3,819**	**1,986**	1,833	7,185	1,748	1,841	1,843	1,753
EBITDA margin	***40.5%***	***40.1%***	*41.0%*	*39.8%*	*37.4%*	*40.8%*	*41.5%*	*39.5%*
Depreciation	**(1,249)**	**(638)**	(611)	(2,388)	(607)	(600)	(595)	(586)
Amortization of intangible assets	**(362)**	**(183)**	(179)	(737)	(193)	(181)	(183)	(180)
Severance, acquisition and other costs	**(280)**	**(219)**	(61)	(262)	(86)	(129)	(15)	(32)
Finance costs								
Interest expense	**(417)**	**(226)**	(191)	(685)	(174)	(169)	(170)	(172)
Interest on employee benefit obligations	**(489)**	**(247)**	(242)	(992)	(248)	(248)	(248)	(248)
Interest on fund unit liability	**-**	**-**	-	(370)	(93)	(92)	(93)	(92)
Expected return on pension plan assets	**513**	**259**	254	898	224	225	224	225
Other income (expense)	**123**	**145**	(22)	173	(68)	(67)	39	269
Earnings before income taxes	**1,658**	**877**	781	2,822	503	580	802	937
Income taxes	**(393)**	**(194)**	(199)	(632)	(159)	(98)	(172)	(203)
Net earnings	**1,265**	**683**	582	2,190	344	482	630	734
Net earnings attributable to:								
Common shareholders	**1,093**	**590**	503	2,083	318	454	605	706
Preferred shareholders	**60**	**31**	29	112	29	27	27	29
Non-controlling interest	**112**	**62**	50	(5)	(3)	1	(2)	(1)
Net earnings	**1,265**	**683**	582	2,190	344	482	630	734
Net earnings per common share - basic	**$ 1.43**	**$ 0.76**	$ 0.67	$ 2.74	$ 0.42	$ 0.60	$ 0.80	$ 0.92
Net earnings per common share - diluted	**$ 1.43**	**$ 0.76**	$ 0.67	$ 2.74	$ 0.42	$ 0.60	$ 0.80	$ 0.92
Dividends per common share	**$ 1.010**	**$ 0.5175**	$ 0.4925	$ 1.785	$ 0.4575	$ 0.4575	$ 0.4350	$ 0.4350
Average number of common shares outstanding - basic (millions)	**764.8**	**776.6**	752.9	759.0	754.1	756.7	759.7	765.7
Average number of common shares outstanding - diluted (millions)	**765.3**	**777.1**	753.5	759.5	755.0	757.3	760.1	766.0
Number of common shares outstanding (millions)	**777.5**	**777.5**	754.1	752.3	752.3	755.6	759.1	763.0
Adjusted Net Earnings and EPS								
Net earnings attributable to common shareholders	**1,093**	**590**	503	2,083	318	454	605	706
Severance, acquisition and other costs	**202**	**162**	40	189	67	91	6	25
Net gains on investments	**(89)**	**(89)**	-	(133)	-	-	(8)	(125)
Fair value adjustment on fund unit liability	**-**	**-**	-	(49)	58	56	(16)	(147)
Adjustment to reflect interest on fund unit liability as non-controlling interest	**-**	**-**	-	29	3	10	8	8
Adjusted net earnings attributable to common shareholders	**1,206**	**663**	543	2,119	446	611	595	467
Impact on net earnings per share	**$ 0.15**	**$ 0.10**	$ 0.05	$ 0.05	$ 0.17	$ 0.21	$ (0.02)	$ (0.31)
Adjusted EPS	**$ 1.58**	**$ 0.86**	$ 0.72	$ 2.79	$ 0.59	$ 0.81	$ 0.78	$ 0.61

[(A)] Excludes pension current service costs

BCE Inc.
Segmented Data [2]

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)	**Q2 2011**	Q2 2010	$ change	% change	**YTD 2011**	YTD 2010	$ change	% change
Revenues								
Bell Wireline	**2,630**	2,685	(55)	(2.0%)	**5,302**	5,432	(130)	(2.4%)
Bell Wireless	**1,276**	1,203	73	6.1%	**2,527**	2,349	178	7.6%
Bell Media	**529**	-	529	n.m.	**529**	-	529	n.m.
Inter-segment eliminations	**(73)**	(45)	(28)	(62.2%)	**(114)**	(93)	(21)	(22.6%)
Total Bell	**4,362**	3,843	519	13.5%	**8,244**	7,688	556	7.2%
Bell Aliant	**692**	700	(8)	(1.1%)	**1,374**	1,389	(15)	(1.1%)
Inter-segment eliminations	**(99)**	(103)	4	3.9%	**(197)**	(204)	7	3.4%
Total BCE Inc.	**4,955**	4,440	515	11.6%	**9,421**	8,873	548	6.2%
Operating costs								
Bell Wireline	**(1,559)**	(1,640)	81	4.9%	**(3,187)**	(3,383)	196	5.8%
Bell Wireless	**(816)**	(747)	(69)	(9.2%)	**(1,606)**	(1,482)	(124)	(8.4%)
Bell Media	**(406)**	-	(406)	n.m.	**(406)**	-	(406)	n.m.
Inter-segment eliminations	**73**	45	28	62.2%	**114**	93	21	22.6%
Total Bell	**(2,708)**	(2,342)	(366)	(15.6%)	**(5,085)**	(4,772)	(313)	(6.6%)
Bell Aliant	**(360)**	(358)	(2)	(0.6%)	**(714)**	(709)	(5)	(0.7%)
Inter-segment eliminations	**99**	103	(4)	(3.9%)	**197**	204	(7)	(3.4%)
Total BCE Inc.	**(2,969)**	(2,597)	(372)	(14.3%)	**(5,602)**	(5,277)	(325)	(6.2%)
EBITDA								
Bell Wireline	**1,071**	1,045	26	2.5%	**2,115**	2,049	66	3.2%
Margin	**40.7%**	*38.9%*		*1.8 pts*	***39.9%***	*37.7%*		*2.2 pts*
Bell Wireless	**460**	456	4	0.9%	**921**	867	54	6.2%
Margin	**36.1%**	*37.9%*		*(1.8) pts*	***36.4%***	*36.9%*		*(0.5) pts*
Bell Media	**123**	-	123	n.m.	**123**	-	123	n.m.
Margin	**23.3%**	n.m.		n.m.	**23.3%**	n.m.		n.m.
Total Bell	**1,654**	1,501	153	10.2%	**3,159**	2,916	243	8.3%
Margin	***37.9%***	*39.1%*		*(1.2) pts*	***38.3%***	*37.9%*		*0.4 pts*
Bell Aliant	**332**	342	(10)	(2.9%)	**660**	680	(20)	(2.9%)
Margin	***48.0%***	*48.9%*		*(0.9) pts*	***48.0%***	*49.0%*		*(1.0) pts*
Total BCE Inc.	**1,986**	1,843	143	7.8%	**3,819**	3,596	223	6.2%
Margin	***40.1%***	*41.5%*		*(1.4) pts*	***40.5%***	*40.5%*		*0.0 pts*
Capital expenditures								
Bell Wireline	**450**	464	14	3.0%	**852**	852	-	0.0%
Capital Intensity [6]	***17.1%***	*17.3%*		*0.2 pts*	***16.1%***	*15.7%*		*(0.4) pts*
Bell Wireless	**168**	84	(84)	(100.0%)	**281**	137	(144)	n.m.
Capital Intensity	***13.2%***	*7.0%*		*(6.2) pts*	***11.1%***	*5.8%*		*(5.3) pts*
Bell Media	**27**	-	(27)	n.m.	**27**	-	(27)	n.m.
Capital Intensity	***5.1%***	n.m.		n.m.	***5.1%***	n.m.		n.m.
Total Bell	**645**	548	(97)	(17.7%)	**1,160**	989	(171)	(17.3%)
Capital Intensity	***14.8%***	*14.3%*		*(0.5) pts*	***14.1%***	*12.9%*		*(1.2) pts*
Bell Aliant	**155**	124	(31)	(25.0%)	**274**	218	(56)	(25.7%)
Capital Intensity	***22.4%***	*17.7%*		*(4.7) pts*	**19.9%**	15.7%		*(4.2) pts*
Total BCE Inc.	**800**	672	(128)	(19.0%)	**1,434**	1,207	(227)	(18.8%)
Capital Intensity	***16.1%***	*15.1%*		*(1.0) pts*	***15.2%***	*13.6%*		*(1.6) pts*

BCE Inc.

Segmented Data - Historical Trend

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)	**YTD 2011**	**Q2 11**	Q1 11	Total 2010	Q4 10	Q3 10	Q2 10	Q1 10
Revenues								
Bell Wireline	**5,302**	**2,630**	2,672	10,948	2,822	2,694	2,685	2,747
Bell Wireless	**2,527**	**1,276**	1,251	4,906	1,289	1,268	1,203	1,146
Bell Media	**529**	**529**	-	-	-	-	-	-
Inter-segment eliminations	**(114)**	**(73)**	(41)	(185)	(46)	(46)	(45)	(48)
Total Bell	**8,244**	**4,362**	3,882	15,669	4,065	3,916	3,843	3,845
Bell Aliant	**1,374**	**692**	682	2,808	716	703	700	689
Inter-segment eliminations	**(197)**	**(99)**	(98)	(408)	(102)	(102)	(103)	(101)
Total BCE Inc.	**9,421**	**4,955**	4,466	18,069	4,679	4,517	4,440	4,433
Operating costs								
Bell Wireline	**(3,187)**	**(1,559)**	(1,628)	(6,854)	(1,803)	(1,668)	(1,640)	(1,743)
Bell Wireless	**(1,606)**	**(816)**	(790)	(3,188)	(905)	(801)	(747)	(735)
Bell Media	**(406)**	**(406)**	-	-	-	-	-	-
Inter-segment eliminations	**114**	**73**	41	185	46	46	45	48
Total Bell	**(5,085)**	**(2,708)**	(2,377)	(9,857)	(2,662)	(2,423)	(2,342)	(2,430)
Bell Aliant	**(714)**	**(360)**	(354)	(1,435)	(371)	(355)	(358)	(351)
Inter-segment eliminations	**197**	**99**	98	408	102	102	103	101
Total BCE Inc.	**(5,602)**	**(2,969)**	(2,633)	(10,884)	(2,931)	(2,676)	(2,597)	(2,680)
EBITDA								
Bell Wireline	**2,115**	**1,071**	1,044	4,094	1,019	1,026	1,045	1,004
Margin	***39.9%***	***40.7%***	*39.1%*	*37.4%*	*36.1%*	*38.1%*	*38.9%*	*36.5%*
Bell Wireless	**921**	**460**	461	1,718	384	467	456	411
Margin	***36.4%***	***36.1%***	*36.9%*	*35.0%*	*29.8%*	*36.8%*	*37.9%*	*35.9%*
Bell Media	**123**	**123**	-	-	-	-	-	-
Margin	***23.3%***	***23.3%***	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Total Bell	**3,159**	**1,654**	1,505	5,812	1,403	1,493	1,501	1,415
Margin	***38.3%***	***37.9%***	*38.8%*	*37.1%*	*34.5%*	*38.1%*	*39.1%*	*36.8%*
Bell Aliant	**660**	**332**	328	1,373	345	348	342	338
Margin	***48.0%***	***48.0%***	*48.1%*	*48.9%*	*48.2%*	*49.5%*	*48.9%*	*49.1%*
Total BCE Inc.	**3,819**	**1,986**	1,833	7,185	1,748	1,841	1,843	1,753
Margin	***40.5%***	***40.1%***	*41.0%*	*39.8%*	*37.4%*	*40.8%*	*41.5%*	*39.5%*
Capital expenditures								
Bell Wireline	**852**	**450**	402	2,019	646	521	464	388
Capital Intensity	***16.1%***	***17.1%***	*15.0%*	*18.4%*	*22.9%*	*19.3%*	*17.3%*	*14.1%*
Bell Wireless	**281**	**168**	113	485	225	123	84	53
Capital Intensity	***11.1%***	***13.2%***	*9.0%*	*9.9%*	*17.5%*	*9.7%*	*7.0%*	*4.6%*
Bell Media	**27**	**27**	-	-	-	-	-	-
Capital Intensity	***5.1%***	***5.1%***	n.m.	n.m.	n.m.	n.m.	n.m.	n.m.
Total Bell	**1,160**	**645**	515	2,504	871	644	548	441
Capital Intensity	***14.1%***	***14.8%***	*13.3%*	*16.0%*	*21.4%*	*16.4%*	*14.3%*	*11.5%*
Bell Aliant	**274**	**155**	119	494	163	113	124	94
Capital Intensity	***19.9%***	***22.4%***	*17.4%*	*17.6%*	*22.8%*	*16.1%*	*17.7%*	*13.6%*
Total BCE Inc.	**1,434**	**800**	634	2,998	1,034	757	672	535
Capital Intensity	***15.2%***	***16.1%***	*14.2%*	*16.6%*	*22.1%*	*16.8%*	*15.1%*	*12.1%*

Bell Wireline [2]

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)	**Q2 2011**	Q2 2010	% change	**YTD 2011**	YTD 2010	% change
Bell Wireline						
Local & access	**726**	758	(4.2%)	**1,455**	1,520	(4.3%)
Long distance	**227**	231	(1.7%)	**461**	467	(1.3%)
Data	**933**	963	(3.1%)	**1,888**	1,978	(4.6%)
Video	**460**	434	6.0%	**920**	862	6.7%
Equipment & other	**208**	220	(5.5%)	**427**	447	(4.5%)
Total external revenues	**2,554**	2,606	(2.0%)	**5,151**	5,274	(2.3%)
Inter-segment revenues	**76**	79	(3.8%)	**151**	158	(4.4%)
Total Bell Wireline operating revenue	**2,630**	2,685	(2.0%)	**5,302**	5,432	(2.4%)
Operating costs	**(1,559)**	(1,640)	4.9%	**(3,187)**	(3,383)	5.8%
EBITDA	**1,071**	1,045	2.5%	**2,115**	2,049	3.2%
EBITDA Margin	***40.7%***	*38.9%*	*1.8 pts*	***39.9%***	37.7%	*2.2 pts*
Capital expenditures	**450**	464	3.0%	**852**	852	-
Capital intensity	**17.1%**	17.3%	0.2 pts	***16.1%***	*15.7%*	*0.4 pts*
Local						
Network access services (NAS)						
Residential	**3,461,121**	3,713,920	(6.8%)	**3,461,121**	3,713,920	(6.8%)
Business	**2,854,844**	2,918,126	(2.2%)	**2,854,844**	2,918,126	(2.2%)
Total	**6,315,965**	6,632,046	(4.8%)	**6,315,965**	6,632,046	(4.8%)
Network access service net (losses)/activations						
Residential	**(83,479)**	(96,992)	13.9%	**(147,766)**	(172,610)	14.4%
Business	**(17,018)**	(32,155)	47.1%	**(11,974)**	(56,366)	78.8%
Total	**(100,497)**	(129,147)	22.2%	**(159,740)**	(228,976)	30.2%
Internet						
High Speed Internet net activations	**1,275**	(3,899)	n.m.	**14,436**	6,568	n.m.
High Speed Internet subscribers EOP	**2,111,762**	2,063,559	2.3%	**2,111,762**	2,063,559	2.3%
Video						
Net subscriber activations	**6,072**	9,775	(37.9%)	**13,735**	29,664	(53.7%)
Total subscribers EOP	**2,033,833**	1,978,541	2.8%	**2,033,833**	1,978,541	2.8%
ARPU [7] ($/month)	**76.22**	73.43	3.8%	**75.75**	73.01	3.8%
Churn [8] (%) (average per month)	**1.7%**	1.3%	(0.4) pts	**1.5%**	1.2%	*(0.3) pts*

Bell Wireline - Historical Trend

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)	**YTD 2011**	**Q2 11**	Q1 11	Total 2010	Q4 10	Q3 10	Q2 10	Q1 10
Bell Wireline								
Local & access	**1,455**	**726**	729	3,012	733	759	758	762
Long distance	**461**	**227**	234	923	232	224	231	236
Data	**1,888**	**933**	955	3,985	1,035	972	963	1,015
Video	**920**	**460**	460	1,749	450	437	434	428
Equipment & other	**427**	**208**	219	962	292	223	220	227
Total external revenues	**5,151**	**2,554**	2,597	10,631	2,742	2,615	2,606	2,668
Inter-segment revenues	**151**	**76**	75	317	80	79	79	79
Total Bell Wireline operating revenue	**5,302**	**2,630**	2,672	10,948	2,822	2,694	2,685	2,747
Operating costs	**(3,187)**	**(1,559)**	(1,628)	(6,854)	(1,803)	(1,668)	(1,640)	(1,743)
EBITDA	**2,115**	**1,071**	1,044	4,094	1,019	1,026	1,045	1,004
EBITDA Margin	***39.9%***	***40.7%***	*39.1%*	*37.4%*	*36.1%*	*38.1%*	*38.9%*	*36.5%*
Capital expenditures	**852**	**450**	402	2,019	646	521	464	388
Capital intensity	***16.1%***	***17.1%***	15.0%	18.4%	22.9%	19.3%	17.3%	14.1%
Local								
Network access services (NAS)								
Residential	**3,461,121**	**3,461,121**	3,544,600	3,608,887	3,608,887	3,645,437	3,713,920	3,810,912
Business	**2,854,844**	**2,854,844**	2,871,862	2,866,818	2,866,818	2,894,440	2,918,126	2,950,281
Total	**6,315,965**	**6,315,965**	6,416,462	6,475,705	6,475,705	6,539,877	6,632,046	6,761,193
Network access service net (losses)/activations								
Residential	**(147,766)**	**(83,479)**	(64,287)	(277,643)	(36,550)	(68,483)	(96,992)	(75,618)
Business	**(11,974)**	**(17,018)**	5,044	(107,674)	(27,622)	(23,686)	(32,155)	(24,211)
Total	**(159,740)**	**(100,497)**	(59,243)	(385,317)	(64,172)	(92,169)	(129,147)	(99,829)
Internet								
High Speed Internet net activations	**14,436**	**1,275**	13,161	40,335	12,099	21,668	(3,899)	10,467
High Speed Internet subscribers EOP	**2,111,762**	**2,111,762**	2,110,487	2,097,326	2,097,326	2,085,227	2,063,559	2,067,458
Video								
Net subscriber activations	**13,735**	**6,072**	7,663	71,221	23,019	18,538	9,775	19,889
Total subscribers EOP	**2,033,833**	**2,033,833**	2,027,761	2,020,098	2,020,098	1,997,079	1,978,541	1,968,766
ARPU ($/month)	**75.75**	**76.22**	75.76	73.49	74.79	73.34	73.43	72.60
Churn (%) (average per month)	**1.5%**	**1.7%**	1.4%	1.4%	1.5%	1.6%	1.3%	1.1%

Bell Wireless [2]

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)	**Q2 2011**	Q2 2010	% change	**YTD 2011**	YTD 2010	% change
Bell Wireless						
Revenue						
Service	**1,174**	1,111	5.7%	**2,319**	2,164	7.2%
Product	**92**	84	9.5%	**191**	170	12.4%
Total external Bell Wireless revenues	**1,266**	1,195	5.9%	**2,510**	2,334	7.5%
Inter-segment	**10**	8	25.0%	**17**	15	13.3%
Total Bell Wireless operating revenues	**1,276**	1,203	6.1%	**2,527**	2,349	7.6%
Operating costs	**(816)**	(747)	(9.2%)	**(1,606)**	(1,482)	(8.4%)
EBITDA	**460**	456	0.9%	**921**	867	6.2%
EBITDA margin (Total revenues)	***36.1%***	*37.9%*	*(1.8) pts*	***36.4%***	*36.9%*	*(0.5) pts*
EBITDA margin (Service revenues)	***39.2%***	*41.0%*	*(1.8) pts*	***39.7%***	*40.1%*	*(0.4) pts*
Capital expenditures	**168**	84	(100.0%)	**281**	137	n.m.
Capital intensity	**13.2%**	7.0%	(6.2) pts	**11.1%**	5.8%	*(5.3) pts*
Wireless gross activations	**474,900**	480,639	(1.2%)	**898,699**	909,473	(1.2%)
Postpaid	**341,645**	300,579	13.7%	**641,302**	564,891	13.5%
Wireless net activations	**36,507**	98,459	(62.9%)	**41,799**	154,084	(72.9%)
Postpaid	**94,309**	102,754	(8.2%)	**174,957**	183,966	(4.9%)
Wireless subscribers EOP	**7,283,847**	6,987,386	4.2%	**7,283,847**	6,987,386	4.2%
Postpaid	**5,716,326**	5,225,196	9.4%	**5,716,326**	5,225,196	9.4%
Average revenue per unit (ARPU)($/month)	**52.99**	52.12	1.7%	**52.34**	51.10	2.4%
Prepaid	**16.88**	18.35	(8.0%)	**16.10**	17.61	(8.6%)
Postpaid	**63.18**	63.66	(0.8%)	**62.85**	62.70	0.2%
Churn (%) (average per month)	**2.0%**	1.8%	(0.2) pts	**2.0%**	1.8%	*(0.2) pts*
Prepaid	**3.7%**	3.4%	(0.3) pts	**3.7%**	3.4%	*(0.3) pts*
Postpaid	**1.5%**	1.3%	(0.2) pts	**1.5%**	1.3%	*(0.2) pts*
Usage per subscriber (min/month)	**282**	284	(0.7%)	**271**	271	-
Cost of acquisition (COA) [9] ($/sub) [A]	**400**	335	(19.4%)	**384**	328	(17.1%)

[A] In Q1 2011, we changed our methodology for calculating Wireless COA to better align with Canadian industry practice. All prior periods have been restated for comparability.

Bell Wireless - Historical Trend

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)	**YTD 2011**	**Q2 11**	Q1 11	Total 2010	Q4 10	Q3 10	Q2 10	Q1 10
Bell Wireless								
Revenue								
Service	**2,319**	**1,174**	1,145	4,469	1,148	1,157	1,111	1,053
Product	**191**	**92**	99	407	134	103	84	86
Total external Bell Wireless revenues	**2,510**	**1,266**	1,244	4,876	1,282	1,260	1,195	1,139
Inter-segment	**17**	**10**	7	30	7	8	8	7
Total Bell Wireless operating revenues	**2,527**	**1,276**	1,251	4,906	1,289	1,268	1,203	1,146
Operating costs	**(1,606)**	**(816)**	(790)	(3,188)	(905)	(801)	(747)	(735)
EBITDA	**921**	**460**	461	1,718	384	467	456	411
EBITDA margin (Total revenues)	***36.4%***	***36.1%***	*36.9%*	*35.0%*	*29.8%*	*36.8%*	*37.9%*	*35.9%*
EBITDA margin (Service revenues)	***39.7%***	***39.2%***	*40.3%*	*38.4%*	*33.4%*	*40.4%*	*41.0%*	*39.0%*
Capital expenditures	**281**	**168**	113	485	225	123	84	53
Capital intensity	***11.1%***	***13.2%***	9.0%	9.9%	17.5%	9.7%	7.0%	4.6%
Wireless gross activations	**898,699**	**474,900**	423,799	1,999,482	552,714	537,295	480,639	428,834
Postpaid	**641,302**	**341,645**	299,657	1,332,086	399,041	368,154	300,579	264,312
Wireless net activations	**41,799**	**36,507**	5,292	408,746	116,782	137,880	98,459	55,625
Postpaid	**174,957**	**94,309**	80,648	500,139	156,708	159,465	102,754	81,212
Wireless subscribers EOP	**7,283,847**	**7,283,847**	7,247,340	7,242,048	7,242,048	7,125,266	6,987,386	6,888,927
Postpaid	**5,716,326**	**5,716,326**	5,622,017	5,541,369	5,541,369	5,384,661	5,225,196	5,122,442
Average revenue per unit (ARPU)($/month)	**52.34**	**52.99**	51.68	52.03	52.34	53.54	52.12	50.07
Prepaid	**16.10**	**16.88**	15.36	17.76	16.96	18.85	18.35	16.87
Postpaid	**62.85**	**63.18**	62.51	63.49	63.47	65.04	63.66	61.72
Churn (%)(average per month)	**2.0%**	**2.0%**	1.9%	1.9%	2.0%	1.9%	1.8%	1.8%
Prepaid	**3.7%**	**3.7%**	3.7%	3.5%	3.6%	3.4%	3.4%	3.4%
Postpaid	**1.5%**	**1.5%**	1.4%	1.4%	1.5%	1.4%	1.3%	1.2%
Usage per subscriber (min/month)	**271**	**282**	256	274	277	280	284	259
Cost of acquisition (COA)($/sub) [(A)]	**384**	**400**	366	358	411	355	335	321

[(A)] In Q1 2011, we changed our methodology for calculating Wireless COA to better align with Canadian industry practice. All prior periods have been restated for comparability.

BCE Inc.
Net debt and other information

BCE Inc. - Net debt and preferreds

At June 30, 2011
($ millions of Canadian dollars, except where otherwise indicated) (unaudited)

	BCE Inc.		
	Bell	**Bell Aliant**	**BCE Inc.**
Debt due within one year	1,843	396	2,239
Long-term debt	10,042	2,657	12,699
Preferred shares - BCE [A]	1,385	-	1,385
Cash and cash equivalents	(263)	(13)	(276)
Net debt	**13,007**	**3,040**	**16,047**

Bell - Net debt and preferreds

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)

	June 30 2011	March 31 2011	Dec. 31 2010
Debt due within one year	**1,843**	2,279	1,766
Long-term debt	**10,042**	9,189	8,221
Preferred shares - BCE [A]	**1,385**	1,385	1,385
Cash and cash equivalents	**(263)**	(2,147)	(749)
Net Debt	**13,007**	10,706	10,623
Net Debt / Adjusted EBITDA [B]	**2.06**	1.73	1.74
Adjusted EBITDA [B] / Net interest, excluding interest on employee benefit obligations and interest expense on fund unit liability and including 50% of preferred dividends	**9.93**	10.46	10.67

Bell Media - Proportionate Information

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)

	Q2 2011
Proportionate Net Debt	275
Proportionate EBITDA	103

Cash Flow Information

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)

	Q2 2011	Q2 2010	$ change	% change	**YTD 2011**	YTD 2010	$ change	% change
Free Cash Flow (FCF)								
Cash from operating activities, excluding acquisition costs paid	**1,065**	1,105	(40)	(3.6%)	**1,802**	2,061	(259)	(12.6%)
Capital expenditures	**(645)**	(548)	(97)	(17.7%)	**(1,160)**	(989)	(171)	(17.3%)
Dividends paid on preferred shares	**(28)**	(27)	(1)	(3.7%)	**(56)**	(55)	(1)	(1.8%)
Dividends/distributions paid by subsidiaries to non-controlling interest	**(12)**	-	(12)	n.m.	**(12)**	-	(12)	n.m.
Bell Aliant distributions to BCE	**47**	72	(25)	(34.7%)	**118**	145	(27)	(18.6%)
FCF	**427**	602	(175)	(29.1%)	**692**	1,162	(470)	(40.4%)

Cash Flow Information - Historical Trend

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)

	YTD 2011	**Q2 2011**	Q1 2011	Total 2010	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Free Cash Flow (FCF)								
Cash from operating activities, excluding acquisition costs paid	**1,802**	**1,065**	737	3,758	295	1,402	1,105	956
Capital expenditures	**(1,160)**	**(645)**	(515)	(2,504)	(871)	(644)	(548)	(441)
Dividends paid on preferred shares	**(56)**	**(28)**	(28)	(108)	(28)	(25)	(27)	(28)
Dividends/distributions paid by subsidiaries to non-controlling interest	**(12)**	**(12)**	-	-	-	-	-	-
Bell Aliant distributions to BCE	**118**	**47**	71	291	73	73	72	73
FCF	**692**	**427**	265	1,437	(531)	806	602	560

[A] Net debt includes 50% of preferred shares.

[B] Adjusted EBITDA is defined as EBITDA including dividends / distributions from Bell Aliant to BCE and is based on trailling 12 months data.

BCE Inc.

Consolidated Statements of Financial Position Data

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)	**June 30 2011**	March 31 2011	December 31 2010
ASSETS			
Current assets			
Cash	**27**	2,069	129
Cash equivalents	**249**	103	642
Trade and other receivables	**3,211**	2,580	2,885
Current tax receivable	**87**	97	139
Inventory	**414**	424	431
Prepaid expenses	**404**	450	224
Other current assets	**110**	106	205
Total current assets	**4,502**	5,829	4,655
Non-current assets			
Property, plant and equipment	**18,330**	17,582	17,775
Intangible assets	**8,116**	6,288	6,201
Deferred tax assets	**451**	437	501
Investments in associates and joint ventures	**308**	313	303
Other non-current assets	**550**	669	652
Goodwill	**7,253**	5,806	5,806
Total non-current assets	**35,008**	31,095	31,238
Total assets	**39,510**	36,924	35,893
LIABILITIES			
Current liabilities			
Trade and other payables	**3,595**	3,232	3,815
Interest payable	**134**	135	143
Dividends payable	**414**	383	356
Current tax liabilities	**139**	78	37
Other current liabilities	**46**	51	33
Debt due within one year	**2,239**	3,049	2,570
Total current liabilities	**6,567**	6,928	6,954
Non-current liabilities			
Long-term debt	**12,699**	11,556	10,581
Fund unit liability	**-**	-	3,060
Deferred tax liabilities	**784**	579	526
Employee benefit obligation	**3,142**	2,786	3,302
Other non-current liabilities	**1,573**	1,280	1,302
Total non-current liabilities	**18,198**	16,201	18,771
Total liabilities	**24,765**	23,129	25,725
Equity			
Equity attributable to owners			
Preferred shares	**2,770**	2,770	2,770
Common shares	**13,568**	12,745	12,691
Contributed surplus	**2,531**	2,536	2,579
Accumulated other comprehensive (loss) income	**(43)**	48	66
Deficit	**(4,988)**	(4,970)	(7,952)
Total equity attributable to owners	**13,838**	13,129	10,154
Non-controlling interest	**907**	666	14
Total equity	**14,745**	13,795	10,168
Total liabilities and equity	**39,510**	36,924	35,893
Number of common shares outstanding	**777.5**	754.1	752.3

BCE Inc.

Consolidated Cash Flow Data

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)	**Q2 2011**	Q2 2010	$ change	**YTD 2011**	YTD 2010	$ change
Net earnings	**683**	630	53	**1,265**	1,364	(99)
Adjustments to reconcile net earnings to cash flows from operating activities						
Depreciation and amortization of intangible assets	**821**	778	43	**1,611**	1,544	67
Net employee benefit plans cost	**49**	73	(24)	**96**	149	(53)
Severance, acquisition and other costs	**219**	15	204	**280**	47	233
Net interest expense	**212**	262	(50)	**401**	524	(123)
Gains on investments	**(89)**	(10)	(79)	**(89)**	(135)	46
Income taxes	**194**	172	22	**393**	375	18
Contributions to employee pension plans	**(85)**	(144)	59	**(439)**	(299)	(140)
Payments under other employee future benefit plans	**(27)**	(24)	(3)	**(51)**	(48)	(3)
Severance and other costs paid	**(59)**	(49)	(10)	**(306)**	(143)	(163)
Acquisition costs paid	**(31)**	(2)	(29)	**(35)**	(6)	(29)
Interest paid	**(216)**	(305)	89	**(383)**	(555)	172
Income taxes paid (net of refunds)	**(25)**	(36)	11	**(33)**	(60)	27
Operating assets and liabilities	**(265)**	(39)	(226)	**(595)**	(432)	(163)
Cash flows from operating activities	**1,381**	1,321	60	**2,115**	2,325	(210)
Bell Aliant dividends/distributions paid to BCE	**47**	72	(25)	**118**	145	(27)
Capital expenditures	**(800)**	(672)	(128)	**(1,434)**	(1,207)	(227)
Cash dividends paid on preferred shares	**(28)**	(27)	(1)	**(56)**	(55)	(1)
Cash dividends/distributions paid by subsidiaries to non-controlling interest	**(77)**	-	(77)	**(168)**	-	(168)
Acquisition costs paid	**31**	2	29	**35**	6	29
Bell Aliant Free Cash Flow	**(127)**	(94)	(33)	**82**	(52)	134
Free Cash Flow [4]	**427**	602	(175)	**692**	1,162	(470)
Bell Aliant free cash flow, excluding dividends/distributions paid	**80**	22	58	**(200)**	(93)	(107)
Business acquisitions	**(680)**	4	(684)	**(680)**	13	(693)
Acquisition costs paid	**(31)**	(2)	(29)	**(35)**	(6)	(29)
Business dispositions	**-**	8	(8)	**2**	8	(6)
Increase in investments	**(2)**	(25)	23	**(4)**	(33)	29
Decrease in investments	**45**	123	(78)	**48**	133	(85)
Other investing activities	**(1)**	3	(4)	**3**	6	(3)
(Decrease) increase in notes payable and bank advances	**(656)**	(9)	(647)	**(130)**	99	(229)
Reduction in trade receivables securitization program	**(348)**	(19)	(329)	**(350)**	(19)	(331)
Issue of long-term debt	**1,301**	-	1,301	**2,303**	-	2,303
Repayment of long-term debt	**(1,739)**	(175)	(1,564)	**(1,815)**	(231)	(1,584)
Cash dividends paid on common shares	**(371)**	(333)	(38)	**(715)**	(643)	(72)
Issue of common shares	**51**	12	39	**100**	13	87
Repurchase of common shares	**-**	(125)	125	**-**	(250)	250
Issue of equity securities by subsidiaries to non-controlling interest	**-**	-	-	**288**	-	288
Other financing activities	**28**	90	(62)	**(2)**	79	(81)
	(2,323)	(426)	(1,897)	**(1,187)**	(924)	(263)
Net (decrease) increase in cash and cash equivalents	**(1,896)**	176	(2,072)	**(495)**	238	(733)
Cash and cash equivalents at beginning of period	**2,172**	746	1,426	**771**	684	87
Cash and cash equivalents at end of period	**276**	922	(646)	**276**	922	(646)
Other information						
Cash flow per share [10]	**$ 0.76**	$ 0.98	$ (0.22)	**$ 0.89**	$ 1.71	$ (0.82)
Annualized cash flow yield [11]	**3.3%**	7.7%	(4.4) pts	**3.3%**	7.7%	*(4.4) pts*

BCE Inc.

Consolidated Cash Flow Data - Historical Trend

($ millions of Canadian dollars, except where otherwise indicated) (unaudited)	**YTD 2011**	**Q2 11**	Q1 11	Total 2010	Q4 10	Q3 10	Q2 10	Q1 10
Net earnings	**1,265**	**683**	582	2,190	344	482	630	734
Adjustments to reconcile net earnings to cash flows from operating activities								
Depreciation and amortization of intangible assets	**1,611**	**821**	790	3,125	800	781	778	766
Net employee benefit plans cost	**96**	**49**	47	294	73	72	73	76
Severance, acquisition and other costs	**280**	**219**	61	262	86	129	15	32
Net interest expense	**401**	**212**	189	1,049	265	260	262	262
Gains on investments	**(89)**	**(89)**	-	(135)	-	-	(10)	(125)
Income taxes	**393**	**194**	199	632	159	98	172	203
Contributions to employee pension plans	**(439)**	**(85)**	(354)	(1,315)	(901)	(115)	(144)	(155)
Payments under other employee future benefit plans	**(51)**	**(27)**	(24)	(98)	(25)	(25)	(24)	(24)
Severance and other costs paid	**(306)**	**(59)**	(247)	(238)	(60)	(35)	(49)	(94)
Acquisition costs paid	**(35)**	**(31)**	(4)	(24)	(12)	(6)	(2)	(4)
Interest paid	**(383)**	**(216)**	(167)	(1,092)	(292)	(245)	(305)	(250)
Income taxes paid (net of refunds)	**(33)**	**(25)**	(8)	(129)	(54)	(15)	(36)	(24)
Operating assets and liabilities	**(595)**	**(265)**	(330)	(154)	108	170	(39)	(393)
Cash flows from operating activities	**2,115**	**1,381**	734	4,367	491	1,551	1,321	1,004
Bell Aliant dividends/distributions paid to BCE	**118**	**47**	71	291	73	73	72	73
Capital expenditures	**(1,434)**	**(800)**	(634)	(2,998)	(1,034)	(757)	(672)	(535)
Cash dividends paid on preferred shares	**(56)**	**(28)**	(28)	(108)	(28)	(25)	(27)	(28)
Cash dividends/distributions paid by subsidiaries to non-controlling interest	**(168)**	**(77)**	(91)	-	-	-	-	-
Acquisition costs paid	**35**	**31**	4	24	12	6	2	4
Bell Aliant Free Cash Flow	**82**	**(127)**	209	(139)	(45)	(42)	(94)	42
Free Cash Flow	**692**	**427**	265	1,437	(531)	806	602	560
Bell Aliant free cash flow, excluding dividends/distributions paid	**(200)**	**80**	(280)	(152)	(28)	(31)	22	(115)
Business acquisitions	**(680)**	**(680)**	-	(60)	(73)	-	4	9
Acquisition costs paid	**(35)**	**(31)**	(4)	(24)	(12)	(6)	(2)	(4)
Business dispositions	**2**	**-**	2	8	-	-	8	-
Increase in investments	**(4)**	**(2)**	(2)	(44)	(4)	(7)	(25)	(8)
Decrease in investments	**48**	**45**	3	139	-	6	123	10
Other investing activities	**3**	**(1)**	4	7	1	-	3	3
(Decrease) increase in notes payable and bank advances	**(130)**	**(656)**	526	250	104	47	(9)	108
(Reduction) increase in trade receivables securitization program	**(350)**	**(348)**	(2)	(37)	(22)	4	(19)	-
Issue of long-term debt	**2,303**	**1,301**	1,002	1,366	1,016	350	-	-
Repayment of long-term debt	**(1,815)**	**(1,739)**	(76)	(956)	(321)	(404)	(175)	(56)
Cash dividends paid on common shares	**(715)**	**(371)**	(344)	(1,318)	(346)	(329)	(333)	(310)
Issue of common shares	**100**	**51**	49	39	11	15	12	1
Repurchase of common shares	**-**	**-**	-	(500)	(125)	(125)	(125)	(125)
Issue of equity securities by subsidiaries to non-controlling interest	**288**	**-**	288	-	-	-	-	-
Other financing activities	**(2)**	**28**	(30)	(68)	(80)	(67)	90	(11)
	(1,187)	**(2,323)**	1,136	(1,350)	121	(547)	(426)	(498)
Net (decrease) increase in cash and cash equivalents	**(495)**	**(1,896)**	1,401	87	(410)	259	176	62
Cash and cash equivalents at beginning of period	**771**	**2,172**	771	684	1,181	922	746	684
Cash and cash equivalents at end of period	**276**	**276**	2,172	771	771	1,181	922	746
Other information								
Cash flow per share	**$ 0.89**	**$ 0.76**	$ 0.13	$ 2.29	$ (0.59)	$ 1.17	$ 0.98	$ 0.73
Annualized cash flow yield	**3.3%**	**3.3%**	4.3%	5.4%	5.4%	7.8%	7.7%	7.7%

(1) Throughout this report, BCE means BCE Inc., its subsidiaries and joint ventures; Bell means our Bell Wireline, Bell Wireless and Bell Media segments on an aggregate basis; and Bell Aliant means Bell Aliant Inc. and its subsidiaries.

(2) We report our results of operations in four segments: Bell Wireline, Bell Wireless, Bell Media and Bell Aliant. Our reporting structure reflects how we manage our business and how we classify our operations for planning and measuring performance.

In the second quarter of 2011, BCE acquired the remaining 85% of CTV Inc. (CTV) common shares that it did not already own. CTV is a media company that holds specialty television, digital media, conventional TV and radio broadcasting assets. CTV is reported as a new segment, Bell Media. As at the acquisition date, we transferred certain assets from our wireline business segment to this new segment.

In the first quarter of 2011, Bell acquired xwave, a division of Bell Aliant, specializing in IT professional services and advanced technology solutions. As a result, we have restated prior period results for Bell Wireline and Bell Aliant to reflect the change of ownership in xwave between Bell and Bell Aliant. Our reportable segments and consolidated results did not change as a result of this restatement.

(3) EBITDA

We define EBITDA as operating revenues less operating costs, as shown in the consolidated income statements. We use EBITDA to evaluate the performance of our businesses as it reflects their ongoing profitability. EBITDA also is used as a component in the determination of short-term incentive compensation for all management employees. EBITDA is referred to as an additional GAAP measure because it is displayed on the face of our income statements.

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

Adjusted net earnings and Adjusted earnings per share (EPS)
The terms Adjusted net earnings and Adjusted EPS do not have any standardized meaning according to IFRS. They are therefore unlikely to be comparable to similar measures presented by other companies.

We define Adjusted net earnings as net earnings attributable to common shareholders before severance, acquisition and other costs, and net gains/losses on investments. For 2010, Adjusted net earnings also excludes the fair value adjustments on the fund unit liability and adjusts earnings to reflect the interest on the fund unit liability as non-controlling interest. We define Adjusted EPS as Adjusted net earnings per BCE Inc. common share.

We use Adjusted net earnings and Adjusted EPS, among other measures, to assess the operating performance of our ongoing businesses without the effects of after-tax non-controlling interest, severance, acquisition and other costs, and net gains/losses on investments. We exclude these items because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring.

The most comparable IFRS financial measures are net earnings attributable to common shareholders and earnings per share.

Free Cash Flow
The term free cash flow does not have any standardized meaning according to IFRS. It is therefore unlikely to be comparable to similar measures presented by other companies.

We define free cash flow as cash flows from operating activities, excluding acquisition costs paid, and dividends/distributions received from Bell Aliant less capital expenditures, preferred share dividends, dividends/distributions paid by subsidiaries to non-controlling interest and Bell Aliant free cash flow.

We consider free cash flow to be an important indicator of the financial strength and performance of our business because it shows how much cash is available to repay debt and reinvest in our company. We present free cash flow consistently from period to period, which allows us to compare our financial performance on a consistent basis.

We believe that certain investors and analysts use free cash flow to value a business and its underlying assets.

The most comparable IFRS financial measure is cash from operating activities.

(5) EBITDA margin is calculated as follows:

$$\frac{\text{EBITDA}}{\text{Operating revenues}}$$

(6) Capital Intensity is calculated as follows:

$$\frac{\text{Capital expenditures}}{\text{Operating revenues}}$$

(7) Average revenue per unit (ARPU) represents the measurement of the average revenue generated by each unit, expressed as a rate per month for the year.

(8) Churn is the rate at which existing subscribers cancel their services. Churn is calculated as the number of subscribers disconnected divided by the average subscriber base.

(9) Cost of acquisition (COA) is also referred to as subscriber acquisition costs. This measure is expressed per gross activation. It includes costs associated with acquiring a customer such as hardware subsidies, marketing and distribution costs.

(10) Cash flow per share is calculated as follows:

$$\frac{\text{Cash flow from operating activities less capital expenditures}}{\text{Average number of common shares outstanding}}$$

(11) Annualized cash flow yield is calculated as follows:

$$\frac{\text{Trailing 12 month free cash flow}}{\text{Number of common shares outstanding at end of period multiplied by share price at end of period}}$$