



Q4

Supplementary Financial Information

Fourth Quarter 2021

BCE Investor Relations

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BCE

BCE ⁽¹⁾
Consolidated Operational Data

| <i>(In millions of Canadian dollars, except share amounts) (unaudited)</i> | Q4 2021 | Q4 2020 | \$ change | % change | TOTAL 2021 | TOTAL 2020 | \$ change | % change |
|---|------------------|------------------|------------------|------------------|------------------|------------------|----------------|-----------------|
| Operating revenues | | | | | | | | |
| Service | 5,243 | 5,090 | 153 | 3.0% | 20,350 | 19,832 | 518 | 2.6% |
| Product | 966 | 1,012 | (46) | (4.5%) | 3,099 | 3,051 | 48 | 1.6% |
| Total operating revenues | 6,209 | 6,102 | 107 | 1.8% | 23,449 | 22,883 | 566 | 2.5% |
| Operating costs | (3,779) | (3,698) | (81) | (2.2%) | (13,556) | (13,276) | (280) | (2.1%) |
| Adjusted EBITDA ^(A) | 2,430 | 2,404 | 26 | 1.1% | 9,893 | 9,607 | 286 | 3.0% |
| Adjusted EBITDA margin ^{(B)(3)} | 39.1% | 39.4% | | (0.3) pts | 42.2% | 42.0% | | 0.2 pts |
| Severance, acquisition and other costs | (63) | (52) | (11) | (21.2%) | (209) | (116) | (93) | (80.2%) |
| Depreciation | (925) | (872) | (53) | (6.1%) | (3,627) | (3,475) | (152) | (4.4%) |
| Amortization | (251) | (233) | (18) | (7.7%) | (982) | (929) | (53) | (5.7%) |
| Finance costs | | | | | | | | |
| Interest expense | (275) | (274) | (1) | (0.4%) | (1,082) | (1,110) | 28 | 2.5% |
| Interest on post-employment benefit obligations | (5) | (11) | 6 | 54.5% | (20) | (46) | 26 | 56.5% |
| Impairment of assets | (30) | (12) | (18) | n.m. | (197) | (472) | 275 | 58.3% |
| Other income (expense) | 26 | (38) | 64 | n.m. | 160 | (194) | 354 | n.m. |
| Income taxes | (249) | (191) | (58) | (30.4%) | (1,044) | (792) | (252) | (31.8%) |
| Net earnings from continuing operations | 658 | 721 | (63) | (8.7%) | 2,892 | 2,473 | 419 | 16.9% |
| Net earnings from discontinued operations | - | 211 | (211) | (100.0%) | - | 226 | (226) | (100.0%) |
| Net earnings | 658 | 932 | (274) | (29.4%) | 2,892 | 2,699 | 193 | 7.2% |
| Net earnings from continuing operations attributable to: | | | | | | | | |
| Common shareholders | 625 | 678 | (53) | (7.8%) | 2,709 | 2,272 | 437 | 19.2% |
| Preferred shareholders | 33 | 32 | 1 | 3.1% | 131 | 136 | (5) | (3.7%) |
| Non-controlling interest | - | 11 | (11) | (100.0%) | 52 | 65 | (13) | (20.0%) |
| Net earnings from continuing operations | 658 | 721 | (63) | (8.7%) | 2,892 | 2,473 | 419 | 16.9% |
| Net earnings attributable to: | | | | | | | | |
| Common shareholders | 625 | 889 | (264) | (29.7%) | 2,709 | 2,498 | 211 | 8.4% |
| Preferred shareholders | 33 | 32 | 1 | 3.1% | 131 | 136 | (5) | (3.7%) |
| Non-controlling interest | - | 11 | (11) | (100.0%) | 52 | 65 | (13) | (20.0%) |
| Net earnings | 658 | 932 | (274) | (29.4%) | 2,892 | 2,699 | 193 | 7.2% |
| Net earnings per common share - basic and diluted | | | | | | | | |
| Continuing operations | \$ 0.69 | \$ 0.75 | \$ (0.06) | (8.0%) | \$ 2.99 | \$ 2.51 | \$ 0.48 | 19.1% |
| Discontinued operations | \$ - | \$ 0.23 | \$ (0.23) | (100.0%) | \$ - | \$ 0.25 | \$ (0.25) | (100.0%) |
| Net earnings per common share - basic and diluted | \$ 0.69 | \$ 0.98 | \$ (0.29) | (29.6%) | \$ 2.99 | \$ 2.76 | \$ 0.23 | 8.3% |
| Dividends per common share | \$ 0.8750 | \$ 0.8325 | \$ 0.0425 | 5.1% | \$ 3.5000 | \$ 3.3300 | \$ 0.17 | 5.1% |
| Weighted average number of common shares outstanding - basic (millions) | 908.8 | 904.4 | | | 906.3 | 904.3 | | |
| Weighted average number of common shares outstanding - diluted (millions) | 909.6 | 904.4 | | | 906.7 | 904.4 | | |
| Number of common shares outstanding (millions) | 909.0 | 904.4 | | | 909.0 | 904.4 | | |
| Adjusted net earnings and adjusted EPS | | | | | | | | |
| Net earnings attributable to common shareholders | 625 | 889 | (264) | (29.7%) | 2,709 | 2,498 | 211 | 8.4% |
| Reconciling items: | | | | | | | | |
| Severance, acquisition and other costs | 63 | 52 | 11 | 21.2% | 209 | 116 | 93 | 80.2% |
| Net mark-to-market (gains) losses on derivatives used to economically hedge equity settled share-based compensation plans | (57) | 1 | (58) | n.m. | (278) | 51 | (329) | n.m. |
| Net equity losses (gains) on investment in associates and joint ventures | 35 | - | 35 | n.m. | 49 | (43) | 92 | n.m. |
| Net losses (gains) on investments | 6 | (3) | 9 | n.m. | 6 | (3) | 9 | n.m. |
| Early debt redemption costs | - | 12 | (12) | (100.0%) | 53 | 50 | 3 | 6.0% |
| Impairment of assets | 30 | 12 | 18 | n.m. | 197 | 472 | (275) | (58.3%) |
| Income taxes for the above reconciling items | (9) | (21) | 12 | 57.1% | (48) | (185) | 137 | 74.1% |
| Non-controlling interest (NCI) for the above reconciling items | (1) | - | (1) | n.m. | (2) | - | (2) | n.m. |
| Net earnings from discontinued operations (net of income taxes) | - | (211) | 211 | 100.0% | - | (226) | 226 | 100.0% |
| Adjusted net earnings ^(A) | 692 | 731 | (39) | (5.3%) | 2,895 | 2,730 | 165 | 6.0% |
| Adjusted EPS ^(A) | \$ 0.76 | \$ 0.81 | \$ (0.05) | (6.2%) | \$ 3.19 | \$ 3.02 | \$ 0.17 | 5.6% |

n.m. : not meaningful

^(A) Adjusted EBITDA is a total of segments measure, adjusted net earnings is a non-GAAP financial measure and adjusted EPS is a non-GAAP ratio. Refer to note 2.3, *Total of segments measures*, note 2.1, *Non-GAAP financial measures* and note 2.2, *Non-GAAP ratios* in the Accompanying Notes to this report for more information on these measures.

^(B) Adjusted EBITDA margin is defined as adjusted EBITDA divided by operating revenues.

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Consolidated Operational Data - Historical Trend

| <i>(In millions of Canadian dollars, except share amounts) (unaudited)</i> | TOTAL 2021 | | | | | TOTAL 2020 | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | Q4 21 | Q3 21 | Q2 21 | Q1 21 | | Q4 20 | Q3 20 | Q2 20 | Q1 20 | |
| Operating revenues | | | | | | | | | | |
| Service | 20,350 | 5,243 | 5,099 | 5,040 | 4,968 | 19,832 | 5,090 | 4,924 | 4,800 | 5,018 |
| Product | 3,099 | 966 | 737 | 658 | 738 | 3,051 | 1,012 | 863 | 554 | 622 |
| Total operating revenues | 23,449 | 6,209 | 5,836 | 5,698 | 5,706 | 22,883 | 6,102 | 5,787 | 5,354 | 5,640 |
| Operating costs | (13,556) | (3,779) | (3,278) | (3,222) | (3,277) | (13,276) | (3,698) | (3,333) | (3,023) | (3,222) |
| Adjusted EBITDA | 9,893 | 2,430 | 2,558 | 2,476 | 2,429 | 9,607 | 2,404 | 2,454 | 2,331 | 2,418 |
| Adjusted EBITDA margin | 42.2% | 39.1% | 43.8% | 43.5% | 42.6% | 42.0% | 39.4% | 42.4% | 43.5% | 42.9% |
| Severance, acquisition and other costs | (209) | (63) | (50) | (7) | (89) | (116) | (52) | (26) | (22) | (16) |
| Depreciation | (3,627) | (925) | (902) | (905) | (895) | (3,475) | (872) | (876) | (869) | (858) |
| Amortization | (982) | (251) | (245) | (248) | (238) | (929) | (233) | (232) | (234) | (230) |
| Finance costs | | | | | | | | | | |
| Interest expense | (1,082) | (275) | (272) | (268) | (267) | (1,110) | (274) | (279) | (280) | (277) |
| Interest on post-employment benefit obligations | (20) | (5) | (5) | (5) | (5) | (46) | (11) | (12) | (11) | (12) |
| Impairment of assets | (197) | (30) | - | (164) | (3) | (472) | (12) | (4) | (449) | (7) |
| Other income (expense) | 160 | 26 | 35 | 91 | 8 | (194) | (38) | (29) | (80) | (47) |
| Income taxes | (1,044) | (249) | (306) | (236) | (253) | (792) | (191) | (262) | (96) | (243) |
| Net earnings from continuing operations | 2,892 | 658 | 813 | 734 | 687 | 2,473 | 721 | 734 | 290 | 728 |
| Net earnings from discontinued operations | - | - | - | - | - | 226 | 211 | 6 | 4 | 5 |
| Net earnings | 2,892 | 658 | 813 | 734 | 687 | 2,699 | 932 | 740 | 294 | 733 |
| Net earnings from continuing operations attributable to: | | | | | | | | | | |
| Common shareholders | 2,709 | 625 | 757 | 685 | 642 | 2,272 | 678 | 686 | 233 | 675 |
| Preferred shareholders | 131 | 33 | 34 | 32 | 32 | 136 | 32 | 32 | 34 | 38 |
| Non-controlling interest | 52 | - | 22 | 17 | 13 | 65 | 11 | 16 | 23 | 15 |
| Net earnings from continuing operations | 2,892 | 658 | 813 | 734 | 687 | 2,473 | 721 | 734 | 290 | 728 |
| Net earnings attributable to: | | | | | | | | | | |
| Common shareholders | 2,709 | 625 | 757 | 685 | 642 | 2,498 | 889 | 692 | 237 | 680 |
| Preferred shareholders | 131 | 33 | 34 | 32 | 32 | 136 | 32 | 32 | 34 | 38 |
| Non-controlling interest | 52 | - | 22 | 17 | 13 | 65 | 11 | 16 | 23 | 15 |
| Net earnings | 2,892 | 658 | 813 | 734 | 687 | 2,699 | 932 | 740 | 294 | 733 |
| Net earnings per common share - basic and diluted | | | | | | | | | | |
| Continuing operations | \$ 2.99 | \$ 0.69 | \$ 0.83 | \$ 0.76 | \$ 0.71 | \$ 2.51 | \$ 0.75 | \$ 0.76 | \$ 0.26 | \$ 0.74 |
| Discontinued operations | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0.25 | \$ 0.23 | \$ 0.01 | \$ - | \$ 0.01 |
| Net earnings per common share - basic and diluted | \$ 2.99 | \$ 0.69 | \$ 0.83 | \$ 0.76 | \$ 0.71 | \$ 2.76 | \$ 0.98 | \$ 0.77 | \$ 0.26 | \$ 0.75 |
| Dividends per common share | \$ 3.5000 | \$ 0.8750 | \$ 0.8750 | \$ 0.8750 | \$ 0.8750 | \$ 3.3300 | \$ 0.8325 | \$ 0.8325 | \$ 0.8325 | \$ 0.8325 |
| Weighted average number of common shares outstanding - basic (millions) | 906.3 | 908.8 | 906.9 | 905.0 | 904.5 | 904.3 | 904.4 | 904.3 | 904.3 | 904.1 |
| Weighted average number of common shares outstanding - diluted (millions) | 906.7 | 909.6 | 907.6 | 905.3 | 904.5 | 904.4 | 904.4 | 904.4 | 904.4 | 904.5 |
| Number of common shares outstanding (millions) | 909.0 | 909.0 | 908.8 | 905.7 | 904.6 | 904.4 | 904.4 | 904.3 | 904.3 | 904.3 |
| Adjusted net earnings and adjusted EPS | | | | | | | | | | |
| Net earnings attributable to common shareholders | 2,709 | 625 | 757 | 685 | 642 | 2,498 | 889 | 692 | 237 | 680 |
| Reconciling items: | | | | | | | | | | |
| Severance, acquisition and other costs | 209 | 63 | 50 | 7 | 89 | 116 | 52 | 26 | 22 | 16 |
| Net mark-to-market (gains) losses on derivatives used to economically hedge equity settled share-based compensation plans | (278) | (57) | (61) | (100) | (60) | 51 | 1 | 13 | 9 | 28 |
| Net equity losses (gains) on investment in associates and joint ventures | 49 | 35 | - | 14 | - | (43) | - | (22) | (11) | (10) |
| Net losses (gains) on investments | 6 | 6 | - | - | - | (3) | (3) | - | - | - |
| Early debt redemption costs | 53 | - | - | - | 53 | 50 | 12 | 21 | - | 17 |
| Impairment of assets | 197 | 30 | - | 164 | 3 | 472 | 12 | 4 | 449 | 7 |
| Income taxes for the above reconciling items | (48) | (9) | 2 | (18) | (23) | (185) | (21) | (16) | (129) | (19) |
| NCI for the above reconciling items | (2) | (1) | - | (1) | - | - | - | - | - | - |
| Net earnings from discontinued operations (net of income taxes) | - | - | - | - | - | (226) | (211) | (6) | (4) | (5) |
| Adjusted net earnings | 2,895 | 692 | 748 | 751 | 704 | 2,730 | 731 | 712 | 573 | 714 |
| Adjusted EPS | \$ 3.19 | \$ 0.76 | \$ 0.82 | \$ 0.83 | \$ 0.78 | \$ 3.02 | \$ 0.81 | \$ 0.79 | \$ 0.63 | \$ 0.79 |

BCE ⁽¹⁾
Segmented Data

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | Q4 2021 | Q4 2020 | \$ change | % change | TOTAL 2021 | TOTAL 2020 | \$ change | % change |
|--|--------------------|------------|-----------|-----------|-----------------------|---------------|-----------|-----------|
| Operating revenues | | | | | | | | |
| Bell Wireless | 2,475 | 2,408 | 67 | 2.8% | 8,999 | 8,683 | 316 | 3.6% |
| Bell Wireline | 3,079 | 3,095 | (16) | (0.5%) | 12,178 | 12,206 | (28) | (0.2%) |
| Bell Media | 849 | 791 | 58 | 7.3% | 3,036 | 2,750 | 286 | 10.4% |
| Inter-segment eliminations | (194) | (192) | (2) | (1.0%) | (764) | (756) | (8) | (1.1%) |
| Total | 6,209 | 6,102 | 107 | 1.8% | 23,449 | 22,883 | 566 | 2.5% |
| Operating costs | | | | | | | | |
| Bell Wireless | (1,524) | (1,505) | (19) | (1.3%) | (5,146) | (5,017) | (129) | (2.6%) |
| Bell Wireline | (1,753) | (1,783) | 30 | 1.7% | (6,863) | (6,960) | 97 | 1.4% |
| Bell Media | (696) | (602) | (94) | (15.6%) | (2,311) | (2,055) | (256) | (12.5%) |
| Inter-segment eliminations | 194 | 192 | 2 | 1.0% | 764 | 756 | 8 | 1.1% |
| Total | (3,779) | (3,698) | (81) | (2.2%) | (13,556) | (13,276) | (280) | (2.1%) |
| Adjusted EBITDA | | | | | | | | |
| Bell Wireless | 951 | 903 | 48 | 5.3% | 3,853 | 3,666 | 187 | 5.1% |
| Margin | 38.4% | 37.5% | | 0.9 pts | 42.8% | 42.2% | | 0.6 pts |
| Bell Wireline | 1,326 | 1,312 | 14 | 1.1% | 5,315 | 5,246 | 69 | 1.3% |
| Margin | 43.1% | 42.4% | | 0.7 pts | 43.6% | 43.0% | | 0.6 pts |
| Bell Media | 153 | 189 | (36) | (19.0%) | 725 | 695 | 30 | 4.3% |
| Margin | 18.0% | 23.9% | | (5.9) pts | 23.9% | 25.3% | | (1.4) pts |
| Total | 2,430 | 2,404 | 26 | 1.1% | 9,893 | 9,607 | 286 | 3.0% |
| Margin | 39.1% | 39.4% | | (0.3) pts | 42.2% | 42.0% | | 0.2 pts |
| Capital expenditures | | | | | | | | |
| Bell Wireless | 274 | 392 | 118 | 30.1% | 1,120 | 916 | (204) | (22.3%) |
| Capital intensity ^{(A)(3)} | 11.1% | 16.3% | | 5.2 pts | 12.4% | 10.5% | | (1.9) pts |
| Bell Wireline | 1,133 | 1,053 | (80) | (7.6%) | 3,597 | 3,161 | (436) | (13.8%) |
| Capital intensity | 36.8% | 34.0% | | (2.8) pts | 29.5% | 25.9% | | (3.6) pts |
| Bell Media | 52 | 49 | (3) | (6.1%) | 120 | 125 | 5 | 4.0% |
| Capital intensity | 6.1% | 6.2% | | 0.1 pts | 4.0% | 4.5% | | 0.5 pts |
| Total | 1,459 | 1,494 | 35 | 2.3% | 4,837 | 4,202 | (635) | (15.1%) |
| Capital intensity | 23.5% | 24.5% | | 1.0 pts | 20.6% | 18.4% | | (2.2) pts |

^(A) Capital intensity is defined as capital expenditures divided by operating revenues.

BCE
Segmented Data - Historical Trend

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | TOTAL | | | | | TOTAL | | | | |
|--|-----------------|----------------|---------|---------|---------|--------------|---------|---------|---------|---------|
| | 2021 | Q4 21 | Q3 21 | Q2 21 | Q1 21 | 2020 | Q4 20 | Q3 20 | Q2 20 | Q1 20 |
| Operating revenues | | | | | | | | | | |
| Bell Wireless | 8,999 | 2,475 | 2,296 | 2,128 | 2,100 | 8,683 | 2,408 | 2,318 | 1,922 | 2,035 |
| Bell Wireline | 12,178 | 3,079 | 3,015 | 3,003 | 3,081 | 12,206 | 3,095 | 3,032 | 3,043 | 3,036 |
| Bell Media | 3,036 | 849 | 719 | 755 | 713 | 2,750 | 791 | 628 | 579 | 752 |
| Inter-segment eliminations | (764) | (194) | (194) | (188) | (188) | (756) | (192) | (191) | (190) | (183) |
| Total | 23,449 | 6,209 | 5,836 | 5,698 | 5,706 | 22,883 | 6,102 | 5,787 | 5,354 | 5,640 |
| Operating costs | | | | | | | | | | |
| Bell Wireless | (5,146) | (1,524) | (1,286) | (1,159) | (1,177) | (5,017) | (1,505) | (1,362) | (1,043) | (1,107) |
| Bell Wireline | (6,863) | (1,753) | (1,682) | (1,710) | (1,718) | (6,960) | (1,783) | (1,712) | (1,764) | (1,701) |
| Bell Media | (2,311) | (696) | (504) | (541) | (570) | (2,055) | (602) | (450) | (406) | (597) |
| Inter-segment eliminations | 764 | 194 | 194 | 188 | 188 | 756 | 192 | 191 | 190 | 183 |
| Total | (13,556) | (3,779) | (3,278) | (3,222) | (3,277) | (13,276) | (3,698) | (3,333) | (3,023) | (3,222) |
| Adjusted EBITDA | | | | | | | | | | |
| Bell Wireless | 3,853 | 951 | 1,010 | 969 | 923 | 3,666 | 903 | 956 | 879 | 928 |
| Margin | 42.8% | 38.4% | 44.0% | 45.5% | 44.0% | 42.2% | 37.5% | 41.2% | 45.7% | 45.6% |
| Bell Wireline | 5,315 | 1,326 | 1,333 | 1,293 | 1,363 | 5,246 | 1,312 | 1,320 | 1,279 | 1,335 |
| Margin | 43.6% | 43.1% | 44.2% | 43.1% | 44.2% | 43.0% | 42.4% | 43.5% | 42.0% | 44.0% |
| Bell Media | 725 | 153 | 215 | 214 | 143 | 695 | 189 | 178 | 173 | 155 |
| Margin | 23.9% | 18.0% | 29.9% | 28.3% | 20.1% | 25.3% | 23.9% | 28.3% | 29.9% | 20.6% |
| Total | 9,893 | 2,430 | 2,558 | 2,476 | 2,429 | 9,607 | 2,404 | 2,454 | 2,331 | 2,418 |
| Margin | 42.2% | 39.1% | 43.8% | 43.5% | 42.6% | 42.0% | 39.4% | 42.4% | 43.5% | 42.9% |
| Capital expenditures | | | | | | | | | | |
| Bell Wireless | 1,120 | 274 | 254 | 306 | 286 | 916 | 392 | 212 | 182 | 130 |
| Capital intensity | 12.4% | 11.1% | 11.1% | 14.4% | 13.6% | 10.5% | 16.3% | 9.1% | 9.5% | 6.4% |
| Bell Wireline | 3,597 | 1,133 | 880 | 877 | 707 | 3,161 | 1,053 | 792 | 694 | 622 |
| Capital intensity | 29.5% | 36.8% | 29.2% | 29.2% | 22.9% | 25.9% | 34.0% | 26.1% | 22.8% | 20.5% |
| Bell Media | 120 | 52 | 25 | 24 | 19 | 125 | 49 | 27 | 24 | 25 |
| Capital intensity | 4.0% | 6.1% | 3.5% | 3.2% | 2.7% | 4.5% | 6.2% | 4.3% | 4.1% | 3.3% |
| Total | 4,837 | 1,459 | 1,159 | 1,207 | 1,012 | 4,202 | 1,494 | 1,031 | 900 | 777 |
| Capital intensity | 20.6% | 23.5% | 19.9% | 21.2% | 17.7% | 18.4% | 24.5% | 17.8% | 16.8% | 13.8% |

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | Q4 2021 | Q4 2020 | % change | TOTAL 2021 | TOTAL 2020 | % change |
|--|--------------|--------------|----------------|---------------|---------------|------------------|
| Bell Wireless | | | | | | |
| Operating revenues | | | | | | |
| External service revenues | 1,641 | 1,543 | 6.4% | 6,355 | 6,122 | 3.8% |
| Inter-segment service revenues | 11 | 11 | - | 45 | 47 | (4.3%) |
| Operating service revenues | 1,652 | 1,554 | 6.3% | 6,400 | 6,169 | 3.7% |
| External product revenues | 821 | 851 | (3.5%) | 2,593 | 2,508 | 3.4% |
| Inter-segment product revenues | 2 | 3 | (33.3%) | 6 | 6 | - |
| Operating product revenues | 823 | 854 | (3.6%) | 2,599 | 2,514 | 3.4% |
| Total external revenues | 2,462 | 2,394 | 2.8% | 8,948 | 8,630 | 3.7% |
| Total operating revenues | 2,475 | 2,408 | 2.8% | 8,999 | 8,683 | 3.6% |
| Operating costs | (1,524) | (1,505) | (1.3%) | (5,146) | (5,017) | (2.6%) |
| Adjusted EBITDA | 951 | 903 | 5.3% | 3,853 | 3,666 | 5.1% |
| <i>Adjusted EBITDA margin</i> | 38.4% | 37.5% | 0.9 pts | 42.8% | 42.2% | 0.6 pts |
| Capital expenditures | 274 | 392 | 30.1% | 1,120 | 916 | (22.3%) |
| <i>Capital intensity</i> | 11.1% | 16.3% | 5.2 pts | 12.4% | 10.5% | (1.9) pts |
| Mobile phone subscribers ^{(A)(3)} | | | | | | |
| Gross subscriber activations | 495,076 | 445,322 | 11.2% | 1,653,771 | 1,545,173 | 7.0% |
| Postpaid | 373,621 | 328,051 | 13.9% | 1,201,659 | 1,025,748 | 17.1% |
| Prepaid | 121,455 | 117,271 | 3.6% | 452,112 | 519,425 | (13.0%) |
| Net subscriber activations (losses) | 109,726 | 61,716 | 77.8% | 294,842 | 190,675 | 54.6% |
| Postpaid | 109,527 | 73,388 | 49.2% | 301,706 | 152,693 | 97.6% |
| Prepaid | 199 | (11,672) | n.m. | (6,864) | 37,982 | n.m. |
| Subscribers end of period (EOP) | 9,459,185 | 9,164,343 | 3.2% | 9,459,185 | 9,164,343 | 3.2% |
| Postpaid | 8,630,045 | 8,328,339 | 3.6% | 8,630,045 | 8,328,339 | 3.6% |
| Prepaid | 829,140 | 836,004 | (0.8%) | 829,140 | 836,004 | (0.8%) |
| Blended average revenue per user (ARPU) (\$/month) ^{(B)(3)} | 58.61 | 56.75 | 3.3% | 57.66 | 56.97 | 1.2% |
| Blended churn (%) (average per month) ⁽³⁾ | 1.37% | 1.40% | 0.03 pts | 1.23% | 1.26% | 0.03 pts |
| Postpaid | 1.08% | 1.06% | (0.02) pts | 0.93% | 0.92% | (0.01) pts |
| Prepaid | 4.42% | 4.79% | 0.37 pts | 4.31% | 4.60% | 0.29 pts |
| Mobile connected device subscribers ^{(A)(3)} | | | | | | |
| Net subscriber activations | 38,998 | 98,949 | (60.6%) | 193,641 | 227,981 | (15.1%) |
| Subscribers EOP | 2,249,794 | 2,056,153 | 9.4% | 2,249,794 | 2,056,153 | 9.4% |

n.m. : not meaningful

^(A) Effective January 1, 2021, we changed our wireless operating metrics to reflect our revised approach to reporting wireless subscriber units. Consequently, we are now reporting in two categories, mobile phone subscriber units and mobile connected device subscriber units (e.g. tablets, wearables and mobile Internet devices). Additionally, mobile connected device subscribers now include previously undisclosed Internet of Things (IoT) units (e.g. connected telematics services, monitoring devices, connected cars and fleet management solutions). These changes are consistent with the way we manage our business, reflect our focus on mobile phone subscribers and align to industry peers. As a result, previously reported 2020 subscribers and associated operating metrics (gross and net activations (losses) and churn) have been restated for comparability.

^(B) Effective Q4 2021, we are no longer reporting mobile phone blended average billing per user (ABPU). Instead, we are reporting mobile phone blended ARPU in order to align with industry peers. Mobile phone blended ARPU is calculated by dividing wireless operating service revenues by the average mobile phone subscriber base for the specified period and is expressed as a dollar unit per month.

Bell Wireless - Historical Trend

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

| | TOTAL 2021 | Q4 21 | Q3 21 | Q2 21 | Q1 21 | TOTAL 2020 | Q4 20 | Q3 20 | Q2 20 | Q1 20 |
|--|---------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|--------------|
| Bell Wireless | | | | | | | | | | |
| Operating revenues | | | | | | | | | | |
| External service revenues | 6,355 | 1,641 | 1,642 | 1,569 | 1,503 | 6,122 | 1,543 | 1,563 | 1,481 | 1,535 |
| Inter-segment service revenues | 45 | 11 | 12 | 11 | 11 | 47 | 11 | 12 | 12 | 12 |
| Operating service revenues | 6,400 | 1,652 | 1,654 | 1,580 | 1,514 | 6,169 | 1,554 | 1,575 | 1,493 | 1,547 |
| External product revenues | 2,593 | 821 | 642 | 546 | 584 | 2,508 | 851 | 742 | 428 | 487 |
| Inter-segment product revenues | 6 | 2 | - | 2 | 2 | 6 | 3 | 1 | 1 | 1 |
| Operating product revenues | 2,599 | 823 | 642 | 548 | 586 | 2,514 | 854 | 743 | 429 | 488 |
| Total external revenues | 8,948 | 2,462 | 2,284 | 2,115 | 2,087 | 8,630 | 2,394 | 2,305 | 1,909 | 2,022 |
| Total operating revenues | 8,999 | 2,475 | 2,296 | 2,128 | 2,100 | 8,683 | 2,408 | 2,318 | 1,922 | 2,035 |
| Operating costs | (5,146) | (1,524) | (1,286) | (1,159) | (1,177) | (5,017) | (1,505) | (1,362) | (1,043) | (1,107) |
| Adjusted EBITDA | 3,853 | 951 | 1,010 | 969 | 923 | 3,666 | 903 | 956 | 879 | 928 |
| <i>Adjusted EBITDA margin</i> | 42.8% | 38.4% | 44.0% | 45.5% | 44.0% | 42.2% | 37.5% | 41.2% | 45.7% | 45.6% |
| Capital expenditures | 1,120 | 274 | 254 | 306 | 286 | 916 | 392 | 212 | 182 | 130 |
| <i>Capital intensity</i> | 12.4% | 11.1% | 11.1% | 14.4% | 13.6% | 10.5% | 16.3% | 9.1% | 9.5% | 6.4% |
| Mobile phone subscribers^(A) | | | | | | | | | | |
| Gross subscriber activations | 1,653,771 | 495,076 | 470,165 | 348,403 | 340,127 | 1,545,173 | 445,322 | 457,161 | 309,133 | 333,557 |
| Postpaid | 1,201,659 | 373,621 | 336,328 | 242,720 | 248,990 | 1,025,748 | 328,051 | 308,558 | 179,589 | 209,550 |
| Prepaid | 452,112 | 121,455 | 133,837 | 105,683 | 91,137 | 519,425 | 117,271 | 148,603 | 129,544 | 124,007 |
| Net subscriber activations (losses) | 294,842 | 109,726 | 136,464 | 46,247 | 2,405 | 190,675 | 61,716 | 119,345 | 12,110 | (2,496) |
| Postpaid | 301,706 | 109,527 | 114,821 | 44,433 | 32,925 | 152,693 | 73,388 | 78,706 | (960) | 1,559 |
| Prepaid | (6,864) | 199 | 21,643 | 1,814 | (30,520) | 37,982 | (11,672) | 40,639 | 13,070 | (4,055) |
| Subscribers EOP | 9,459,185 | 9,459,185 | 9,349,459 | 9,212,995 | 9,166,748 | 9,164,343 | 9,164,343 | 9,102,627 | 8,983,282 | 8,971,172 |
| Postpaid | 8,630,045 | 8,630,045 | 8,520,518 | 8,405,697 | 8,361,264 | 8,328,339 | 8,328,339 | 8,254,951 | 8,176,245 | 8,177,205 |
| Prepaid | 829,140 | 829,140 | 828,941 | 807,298 | 805,484 | 836,004 | 836,004 | 847,676 | 807,037 | 793,967 |
| Blended ARPU (\$/month) ^(B) | 57.66 | 58.61 | 59.47 | 57.36 | 55.17 | 56.97 | 56.75 | 58.09 | 55.49 | 57.55 |
| Blended churn (%) (average per month) | 1.23% | 1.37% | 1.21% | 1.10% | 1.23% | 1.26% | 1.40% | 1.25% | 1.11% | 1.26% |
| Postpaid | 0.93% | 1.08% | 0.93% | 0.83% | 0.89% | 0.92% | 1.06% | 0.98% | 0.76% | 0.89% |
| Prepaid | 4.31% | 4.42% | 4.15% | 3.98% | 4.68% | 4.60% | 4.79% | 3.98% | 4.63% | 5.03% |
| Mobile connected device subscribers^(A) | | | | | | | | | | |
| Net subscriber activations | 193,641 | 38,998 | 33,035 | 47,449 | 74,159 | 227,981 | 98,949 | 41,225 | 38,843 | 48,964 |
| Subscribers EOP | 2,249,794 | 2,249,794 | 2,210,796 | 2,177,761 | 2,130,312 | 2,056,153 | 2,056,153 | 1,957,204 | 1,915,979 | 1,877,136 |

(A) Effective January 1, 2021, we changed our wireless operating metrics to reflect our revised approach to reporting wireless subscriber units. Consequently, we are now reporting in two categories, mobile phone subscriber units and mobile connected device subscriber units (e.g. tablets, wearables and mobile Internet devices). Additionally, mobile connected device subscribers now include previously undisclosed IoT units (e.g. connected telematics services, monitoring devices, connected cars and fleet management solutions). These changes are consistent with the way we manage our business, reflect our focus on mobile phone subscribers and align to industry peers. As a result, previously reported 2020 subscribers and associated operating metrics (gross and net activations (losses) and churn) have been restated for comparability.

(B) Effective Q4 2021, we are no longer reporting mobile phone blended ABPU. Instead, we are reporting mobile phone blended ARPU in order to align with industry peers.

Bell Wireline ⁽¹⁾

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | Q4 2021 | Q4 2020 | % change | TOTAL 2021 | TOTAL 2020 | % change |
|--|--------------------|------------|-----------|-----------------------|---------------|-----------|
| Bell Wireline | | | | | | |
| Operating revenues | | | | | | |
| Data | 1,986 | 1,953 | 1.7% | 7,871 | 7,691 | 2.3% |
| Voice | 779 | 828 | (5.9%) | 3,154 | 3,402 | (7.3%) |
| Other services | 75 | 67 | 11.9% | 289 | 248 | 16.5% |
| External service revenues | 2,840 | 2,848 | (0.3%) | 11,314 | 11,341 | (0.2%) |
| Inter-segment service revenues | 94 | 85 | 10.6% | 358 | 321 | 11.5% |
| Operating service revenues | 2,934 | 2,933 | - | 11,672 | 11,662 | 0.1% |
| Data | 132 | 148 | (10.8%) | 463 | 494 | (6.3%) |
| Equipment and other | 13 | 13 | - | 43 | 49 | (12.2%) |
| External product revenues | 145 | 161 | (9.9%) | 506 | 543 | (6.8%) |
| Inter-segment product revenues | - | 1 | (100.0%) | - | 1 | (100.0%) |
| Operating product revenues | 145 | 162 | (10.5%) | 506 | 544 | (7.0%) |
| Total external revenues | 2,985 | 3,009 | (0.8%) | 11,820 | 11,884 | (0.5%) |
| Total operating revenues | 3,079 | 3,095 | (0.5%) | 12,178 | 12,206 | (0.2%) |
| Operating costs | (1,753) | (1,783) | 1.7% | (6,863) | (6,960) | 1.4% |
| Adjusted EBITDA | 1,326 | 1,312 | 1.1% | 5,315 | 5,246 | 1.3% |
| <i>Adjusted EBITDA margin</i> | 43.1% | 42.4% | 0.7 pts | 43.6% | 43.0% | 0.6 pts |
| Capital expenditures | 1,133 | 1,053 | (7.6%) | 3,597 | 3,161 | (13.8%) |
| <i>Capital intensity</i> | 36.8% | 34.0% | (2.8) pts | 29.5% | 25.9% | (3.6) pts |
| Retail high-speed Internet subscribers ⁽³⁾ | | | | | | |
| Retail net subscriber activations | 47,618 | 44,512 | 7.0% | 152,285 | 148,989 | 2.2% |
| Retail subscribers EOP ^(A) | 3,861,653 | 3,704,590 | 4.2% | 3,861,653 | 3,704,590 | 4.2% |
| Retail TV subscribers ⁽³⁾ | | | | | | |
| Retail net subscriber activations (losses) | 6,049 | 536 | n.m. | 2,530 | (33,859) | n.m. |
| Internet protocol television (IPTV) | 29,191 | 21,106 | 38.3% | 76,068 | 39,191 | 94.1% |
| Satellite | (23,142) | (20,570) | (12.5%) | (73,538) | (73,050) | (0.7%) |
| Total retail subscribers EOP ^(B) | 2,735,010 | 2,738,605 | (0.1%) | 2,735,010 | 2,738,605 | (0.1%) |
| IPTV | 1,882,441 | 1,806,373 | 4.2% | 1,882,441 | 1,806,373 | 4.2% |
| Satellite ^(B) | 852,569 | 932,232 | (8.5%) | 852,569 | 932,232 | (8.5%) |
| Retail residential network access services (NAS) ⁽³⁾ | | | | | | |
| Retail residential NAS lines net losses | (40,211) | (53,759) | 25.2% | (185,327) | (213,551) | 13.2% |
| Retail residential NAS lines | 2,298,605 | 2,483,932 | (7.5%) | 2,298,605 | 2,483,932 | (7.5%) |

n.m. : not meaningful

^(A) At the beginning of Q1 2021, our retail high-speed Internet subscriber base was increased by 4,778 subscribers due to the transfer of fixed wireless Internet subscribers from our mobile connected devices subscriber base.

^(B) At the beginning of Q1 2021, we adjusted our satellite TV subscriber base to remove 6,125 non-revenue generating units.

Bell Wireline - Historical Trend

| | TOTAL | | | | | TOTAL | | | | |
|---|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | 2021 | Q4 21 | Q3 21 | Q2 21 | Q1 21 | 2020 | Q4 20 | Q3 20 | Q2 20 | Q1 20 |
| Bell Wireline | | | | | | | | | | |
| Operating revenues | | | | | | | | | | |
| Data | 7,871 | 1,986 | 1,976 | 1,944 | 1,965 | 7,691 | 1,953 | 1,931 | 1,916 | 1,891 |
| Voice | 3,154 | 779 | 778 | 794 | 803 | 3,402 | 828 | 839 | 863 | 872 |
| Other services | 289 | 75 | 73 | 67 | 74 | 248 | 67 | 61 | 58 | 62 |
| External service revenues | 11,314 | 2,840 | 2,827 | 2,805 | 2,842 | 11,341 | 2,848 | 2,831 | 2,837 | 2,825 |
| Inter-segment service revenues | 358 | 94 | 93 | 86 | 85 | 321 | 85 | 80 | 80 | 76 |
| Operating service revenues | 11,672 | 2,934 | 2,920 | 2,891 | 2,927 | 11,662 | 2,933 | 2,911 | 2,917 | 2,901 |
| Data | 463 | 132 | 86 | 101 | 144 | 494 | 148 | 110 | 113 | 123 |
| Equipment and other | 43 | 13 | 9 | 11 | 10 | 49 | 13 | 11 | 13 | 12 |
| External product revenues | 506 | 145 | 95 | 112 | 154 | 543 | 161 | 121 | 126 | 135 |
| Inter-segment product revenues | - | - | - | - | - | 1 | 1 | - | - | - |
| Operating product revenues | 506 | 145 | 95 | 112 | 154 | 544 | 162 | 121 | 126 | 135 |
| Total external revenues | 11,820 | 2,985 | 2,922 | 2,917 | 2,996 | 11,884 | 3,009 | 2,952 | 2,963 | 2,960 |
| Total operating revenues | 12,178 | 3,079 | 3,015 | 3,003 | 3,081 | 12,206 | 3,095 | 3,032 | 3,043 | 3,036 |
| Operating costs | (6,863) | (1,753) | (1,682) | (1,710) | (1,718) | (6,960) | (1,783) | (1,712) | (1,764) | (1,701) |
| Adjusted EBITDA | 5,315 | 1,326 | 1,333 | 1,293 | 1,363 | 5,246 | 1,312 | 1,320 | 1,279 | 1,335 |
| <i>Adjusted EBITDA margin</i> | <i>43.6%</i> | <i>43.1%</i> | <i>44.2%</i> | <i>43.1%</i> | <i>44.2%</i> | <i>43.0%</i> | <i>42.4%</i> | <i>43.5%</i> | <i>42.0%</i> | <i>44.0%</i> |
| Capital expenditures | 3,597 | 1,133 | 880 | 877 | 707 | 3,161 | 1,053 | 792 | 694 | 622 |
| <i>Capital intensity</i> | <i>29.5%</i> | <i>36.8%</i> | <i>29.2%</i> | <i>29.2%</i> | <i>22.9%</i> | <i>25.9%</i> | <i>34.0%</i> | <i>26.1%</i> | <i>22.8%</i> | <i>20.5%</i> |
| Retail high-speed Internet subscribers | | | | | | | | | | |
| Retail net subscriber activations | 152,285 | 47,618 | 65,779 | 17,680 | 21,208 | 148,989 | 44,512 | 62,859 | 19,023 | 22,595 |
| Retail subscribers EOP ^(A) | 3,861,653 | 3,861,653 | 3,814,035 | 3,748,256 | 3,730,576 | 3,704,590 | 3,704,590 | 3,660,078 | 3,597,219 | 3,578,196 |
| Retail TV subscribers | | | | | | | | | | |
| Retail net subscriber activations (losses) | 2,530 | 6,049 | 10,521 | (4,928) | (9,112) | (33,859) | 536 | (296) | (15,544) | (18,555) |
| IPTV | 76,068 | 29,191 | 31,641 | 4,540 | 10,696 | 39,191 | 21,106 | 18,837 | (3,604) | 2,852 |
| Satellite | (73,538) | (23,142) | (21,120) | (9,468) | (19,808) | (73,050) | (20,570) | (19,133) | (11,940) | (21,407) |
| Total retail subscribers EOP ^(B) | 2,735,010 | 2,735,010 | 2,728,961 | 2,718,440 | 2,723,368 | 2,738,605 | 2,738,605 | 2,738,069 | 2,738,365 | 2,753,909 |
| IPTV | 1,882,441 | 1,882,441 | 1,853,250 | 1,821,609 | 1,817,069 | 1,806,373 | 1,806,373 | 1,785,267 | 1,766,430 | 1,770,034 |
| Satellite ^(B) | 852,569 | 852,569 | 875,711 | 896,831 | 906,299 | 932,232 | 932,232 | 952,802 | 971,935 | 983,875 |
| Retail residential NAS | | | | | | | | | | |
| Retail residential NAS lines net losses | (185,327) | (40,211) | (42,755) | (51,292) | (51,069) | (213,551) | (53,759) | (49,792) | (48,405) | (61,595) |
| Retail residential NAS lines | 2,298,605 | 2,298,605 | 2,338,816 | 2,381,571 | 2,432,863 | 2,483,932 | 2,483,932 | 2,537,691 | 2,587,483 | 2,635,888 |

^(A) At the beginning of Q1 2021, our retail high-speed Internet subscriber base was increased by 4,778 subscribers due to the transfer of fixed wireless Internet subscribers from our mobile connected devices subscriber base.

^(B) At the beginning of Q1 2021, we adjusted our satellite TV subscriber base to remove 6,125 non-revenue generating units.

| BCE - Net debt and preferred shares | | | | | |
|--|-----------------------------|----------------------|-----------------|------------------|---------------------|
| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | | | | | |
| | December 31 2021 | September 30 2021 | June 30 2021 | March 31 2021 | December 31 2020 |
| Long-term debt | 27,048 | 27,070 | 25,422 | 24,965 | 23,906 |
| Debt due within one year | 2,625 | 1,994 | 2,304 | 3,786 | 2,417 |
| 50% of preferred shares | 2,002 | 2,002 | 2,002 | 2,002 | 2,002 |
| Cash | (207) | (2,086) | (1,752) | (1,907) | (224) |
| Cash equivalents | - | (81) | - | (700) | - |
| Net debt ^(A) | 31,468 | 28,899 | 27,976 | 28,146 | 28,101 |
| Net debt leverage ratio ^(A) | 3.18 | 2.93 | 2.87 | 2.93 | 2.93 |
| Adjusted EBITDA /adjusted interest expense ratio ^(A) | 8.77 | 8.75 | 8.62 | 8.40 | 8.32 |

| Cash flow information | | | | | | | | |
|--|--------------------|------------|-----------|----------|-----------------------|---------------|-----------|----------|
| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | | | | | | | | |
| | Q4 2021 | Q4 2020 | \$ change | % change | TOTAL 2021 | TOTAL 2020 | \$ change | % change |
| Free cash flow (FCF) ^(A) | | | | | | | | |
| Cash flows from operating activities | 1,743 | 1,631 | 112 | 6.9% | 8,008 | 7,754 | 254 | 3.3% |
| Capital expenditures | (1,459) | (1,494) | 35 | 2.3% | (4,837) | (4,202) | (635) | (15.1%) |
| Cash dividends paid on preferred shares | (32) | (31) | (1) | (3.2%) | (125) | (132) | 7 | 5.3% |
| Cash dividends paid by subsidiaries to non-controlling interest | (45) | (16) | (29) | n.m. | (86) | (53) | (33) | (62.3%) |
| Acquisition and other costs paid | 29 | 2 | 27 | n.m. | 35 | 35 | - | - |
| Cash from discontinued operations (included in cash flows from operating activities) | - | - | - | - | - | (54) | 54 | 100.0% |
| FCF | 236 | 92 | 144 | n.m. | 2,995 | 3,348 | (353) | (10.5%) |

| Cash flow information - Historical trend | | | | | | | | | | |
|--|-----------------------|--------------------|------------|------------|------------|---------------|------------|------------|------------|------------|
| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | | | | | | | | | | |
| | TOTAL 2021 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 | TOTAL 2020 | Q4 2020 | Q3 2020 | Q2 2020 | Q1 2020 |
| FCF | | | | | | | | | | |
| Cash flows from operating activities | 8,008 | 1,743 | 1,774 | 2,499 | 1,992 | 7,754 | 1,631 | 2,110 | 2,562 | 1,451 |
| Capital expenditures | (4,837) | (1,459) | (1,159) | (1,207) | (1,012) | (4,202) | (1,494) | (1,031) | (900) | (777) |
| Cash dividends paid on preferred shares | (125) | (32) | (31) | (31) | (31) | (132) | (31) | (32) | (33) | (36) |
| Cash dividends paid by subsidiaries to non-controlling interest | (86) | (45) | (13) | (15) | (13) | (53) | (16) | (11) | (12) | (14) |
| Acquisition and other costs paid | 35 | 29 | - | 2 | 4 | 35 | 2 | 13 | 11 | 9 |
| Cash from discontinued operations (included in cash flows from operating activities) | - | - | - | - | - | (54) | - | (15) | (17) | (22) |
| FCF | 2,995 | 236 | 571 | 1,248 | 940 | 3,348 | 92 | 1,034 | 1,611 | 611 |

n.m. : not meaningful

^(A) Net debt and free cash flow are non-GAAP financial measures and net debt leverage ratio and adjusted EBITDA to adjusted net interest expense ratio are capital management measures. Refer to note 2.1, *Non-GAAP financial measures* and note 2.4, *Capital management measures* in the Accompanying Notes to this report for more information on these measures.

Consolidated Statements of Financial Position

| | December 31 2021 | September 30 2021 | June 30 2021 | March 31 2021 | December 31 2020 |
|--|---------------------|----------------------|-----------------|------------------|---------------------|
| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | | | | | |
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash | 207 | 2,086 | 1,752 | 1,907 | 224 |
| Cash equivalents | - | 81 | - | 700 | - |
| Trade and other receivables | 3,949 | 3,498 | 3,244 | 3,247 | 3,528 |
| Inventory | 482 | 418 | 418 | 459 | 439 |
| Contract assets | 414 | 410 | 467 | 563 | 687 |
| Contract costs | 507 | 464 | 441 | 424 | 402 |
| Prepaid expenses | 254 | 292 | 346 | 345 | 209 |
| Other current assets | 335 | 292 | 278 | 244 | 199 |
| Assets held for sale | 50 | - | - | - | - |
| Total current assets | 6,198 | 7,541 | 6,946 | 7,889 | 5,688 |
| Non-current assets | | | | | |
| Contract assets | 251 | 235 | 230 | 236 | 256 |
| Contract costs | 387 | 373 | 364 | 344 | 362 |
| Property, plant and equipment | 28,235 | 27,825 | 27,554 | 27,370 | 27,513 |
| Intangible assets | 15,570 | 13,367 | 13,263 | 13,227 | 13,102 |
| Deferred tax assets | 105 | 124 | 118 | 107 | 106 |
| Investments in associates and joint ventures | 668 | 697 | 725 | 745 | 756 |
| Post-employment benefit assets | 3,441 | 3,785 | 3,185 | 2,601 | 1,277 |
| Other non-current assets | 1,306 | 1,811 | 1,167 | 1,124 | 1,001 |
| Goodwill | 10,572 | 10,578 | 10,579 | 10,606 | 10,604 |
| Total non-current assets | 60,535 | 58,795 | 57,185 | 56,360 | 54,977 |
| Total assets | 66,733 | 66,336 | 64,131 | 64,249 | 60,665 |
| LIABILITIES | | | | | |
| Current liabilities | | | | | |
| Trade payables and other liabilities | 4,455 | 4,131 | 3,904 | 3,723 | 3,935 |
| Contract liabilities | 799 | 748 | 767 | 762 | 717 |
| Interest payable | 247 | 159 | 228 | 181 | 222 |
| Dividends payable | 811 | 810 | 806 | 804 | 766 |
| Current tax liabilities | 141 | 162 | 344 | 271 | 214 |
| Debt due within one year | 2,625 | 1,994 | 2,304 | 3,786 | 2,417 |
| Liabilities held for sale | 35 | - | - | - | - |
| Total current liabilities | 9,113 | 8,004 | 8,353 | 9,527 | 8,271 |
| Non-current liabilities | | | | | |
| Contract liabilities | 246 | 245 | 242 | 242 | 242 |
| Long-term debt | 27,048 | 27,070 | 25,422 | 24,965 | 23,906 |
| Deferred tax liabilities | 4,671 | 4,824 | 4,530 | 4,285 | 3,810 |
| Post-employment benefit obligations | 1,734 | 1,672 | 1,734 | 1,723 | 1,962 |
| Other non-current liabilities | 1,003 | 1,012 | 1,081 | 1,141 | 1,145 |
| Total non-current liabilities | 34,702 | 34,823 | 33,009 | 32,356 | 31,065 |
| Total liabilities | 43,815 | 42,827 | 41,362 | 41,883 | 39,336 |
| EQUITY | | | | | |
| Equity attributable to BCE shareholders | | | | | |
| Preferred shares | 4,003 | 4,003 | 4,003 | 4,003 | 4,003 |
| Common shares | 20,662 | 20,646 | 20,467 | 20,400 | 20,390 |
| Contributed surplus | 1,157 | 1,151 | 1,156 | 1,154 | 1,174 |
| Accumulated other comprehensive income | 213 | 320 | 204 | 163 | 103 |
| Deficit | (3,423) | (2,962) | (3,401) | (3,693) | (4,681) |
| Total equity attributable to BCE shareholders | 22,612 | 23,158 | 22,429 | 22,027 | 20,989 |
| Non-controlling interest | 306 | 351 | 340 | 339 | 340 |
| Total equity | 22,918 | 23,509 | 22,769 | 22,366 | 21,329 |
| Total liabilities and equity | 66,733 | 66,336 | 64,131 | 64,249 | 60,665 |
| Number of common shares outstanding (millions) | 909.0 | 908.8 | 905.7 | 904.6 | 904.4 |

Consolidated Cash Flow Data

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | Q4 2021 | Q4 2020 | \$ change | TOTAL 2021 | TOTAL 2020 | \$ change |
|--|--------------|--------------|-------------|---------------|---------------|--------------|
| Net earnings from continuing operations | 658 | 721 | (63) | 2,892 | 2,473 | 419 |
| Adjustments to reconcile net earnings from continuing operations to cash flows from operating activities | | | | | | |
| Severance, acquisition and other costs | 63 | 52 | 11 | 209 | 116 | 93 |
| Depreciation and amortization | 1,176 | 1,105 | 71 | 4,609 | 4,404 | 205 |
| Post-employment benefit plans cost | 69 | 76 | (7) | 286 | 315 | (29) |
| Net interest expense | 269 | 269 | - | 1,063 | 1,087 | (24) |
| Impairment of assets | 30 | 12 | 18 | 197 | 472 | (275) |
| Losses (gains) on investments | 6 | (3) | 9 | 6 | (3) | 9 |
| Income taxes | 249 | 191 | 58 | 1,044 | 792 | 252 |
| Contributions to post-employment benefit plans | (69) | (78) | 9 | (282) | (297) | 15 |
| Payments under other post-employment benefit plans | (18) | (17) | (1) | (65) | (61) | (4) |
| Severance and other costs paid | (55) | (19) | (36) | (208) | (78) | (130) |
| Interest paid | (192) | (235) | 43 | (1,080) | (1,112) | 32 |
| Income taxes paid (net of refunds) | (302) | (383) | 81 | (913) | (846) | (67) |
| Acquisition and other costs paid | (29) | (2) | (27) | (35) | (35) | - |
| Change in contract assets | (21) | 132 | (153) | 278 | 704 | (426) |
| Change in wireless device financing plan receivables | (121) | (319) | 198 | (365) | (867) | 502 |
| Net change in operating assets and liabilities | 30 | 129 | (99) | 372 | 636 | (264) |
| Cash from discontinued operations | - | - | - | - | 54 | (54) |
| Cash flows from operating activities | 1,743 | 1,631 | 112 | 8,008 | 7,754 | 254 |
| Capital expenditures | (1,459) | (1,494) | 35 | (4,837) | (4,202) | (635) |
| Cash dividends paid on preferred shares | (32) | (31) | (1) | (125) | (132) | 7 |
| Cash dividends paid by subsidiaries to non-controlling interest | (45) | (16) | (29) | (86) | (53) | (33) |
| Acquisition and other costs paid | 29 | 2 | 27 | 35 | 35 | - |
| Cash from discontinued operations (included in cash flows from operating activities) | - | - | - | - | (54) | 54 |
| Free cash flow | 236 | 92 | 144 | 2,995 | 3,348 | (353) |
| Cash from discontinued operations (included in cash flows from operating activities) | - | - | - | - | 54 | (54) |
| Business acquisitions | - | (42) | 42 | (12) | (65) | 53 |
| Acquisition and other costs paid | (29) | (2) | (27) | (35) | (35) | - |
| Acquisition of spectrum licences | (1,664) | - | (1,664) | (2,082) | (86) | (1,996) |
| Other investing activities | (23) | (12) | (11) | (72) | (79) | 7 |
| Cash from discontinued operations (included in cash flows from investing activities) | - | 913 | (913) | - | 892 | (892) |
| Increase (decrease) in notes payable and bank advances | 719 | (524) | 1,243 | 351 | (1,641) | 1,992 |
| (Decrease) increase in securitized trade receivables | (130) | 23 | (153) | (150) | - | (150) |
| Issue of long-term debt | - | - | - | 4,985 | 6,006 | (1,021) |
| Repayment of long-term debt | (235) | (1,094) | 859 | (2,751) | (5,003) | 2,252 |
| Issue of common shares | 16 | 4 | 12 | 261 | 26 | 235 |
| Purchase of shares for settlement of share-based payments | (52) | (54) | 2 | (297) | (263) | (34) |
| Cash dividends paid on common shares | (795) | (753) | (42) | (3,132) | (2,975) | (157) |
| Other financing activities | (3) | (6) | 3 | (78) | (93) | 15 |
| Cash used in discontinued operations (included in cash flows from financing activities) | - | - | - | - | (7) | 7 |
| | (2,196) | (1,547) | (649) | (3,012) | (3,269) | 257 |
| Net (decrease) increase in cash | (1,879) | (1,258) | (621) | (17) | 83 | (100) |
| Cash at beginning of period | 2,086 | 1,482 | 604 | 224 | 141 | 83 |
| Cash at end of period | 207 | 224 | (17) | 207 | 224 | (17) |
| Net decrease in cash equivalents | (81) | (197) | 116 | - | (4) | 4 |
| Cash equivalents at beginning of period | 81 | 197 | (116) | - | 4 | (4) |
| Cash equivalents at end of period | - | - | - | - | - | - |

BCE
Consolidated Cash Flow Data - Historical Trend

| <i>(In millions of Canadian dollars, except where otherwise indicated) (unaudited)</i> | TOTAL | | | | | TOTAL | | | | |
|--|----------------|----------------|--------------|----------------|--------------|----------------|----------------|--------------|----------------|--------------|
| | 2021 | Q4 21 | Q3 21 | Q2 21 | Q1 21 | 2020 | Q4 20 | Q3 20 | Q2 20 | Q1 20 |
| Net earnings from continuing operations | 2,892 | 658 | 813 | 734 | 687 | 2,473 | 721 | 734 | 290 | 728 |
| Adjustments to reconcile net earnings from continuing operations to cash flows from operating activities | | | | | | | | | | |
| Severance, acquisition and other costs | 209 | 63 | 50 | 7 | 89 | 116 | 52 | 26 | 22 | 16 |
| Depreciation and amortization | 4,609 | 1,176 | 1,147 | 1,153 | 1,133 | 4,404 | 1,105 | 1,108 | 1,103 | 1,088 |
| Post-employment benefit plans cost | 286 | 69 | 70 | 68 | 79 | 315 | 76 | 77 | 75 | 87 |
| Net interest expense | 1,063 | 269 | 268 | 263 | 263 | 1,087 | 269 | 273 | 275 | 270 |
| Impairment of assets | 197 | 30 | - | 164 | 3 | 472 | 12 | 4 | 449 | 7 |
| Losses (gains) on investments | 6 | 6 | - | - | - | (3) | (3) | - | - | - |
| Income taxes | 1,044 | 249 | 306 | 236 | 253 | 792 | 191 | 262 | 96 | 243 |
| Contributions to post-employment benefit plans | (282) | (69) | (64) | (70) | (79) | (297) | (78) | (69) | (71) | (79) |
| Payments under other post-employment benefit plans | (65) | (18) | (16) | (16) | (15) | (61) | (17) | (15) | (12) | (17) |
| Severance and other costs paid | (208) | (55) | (31) | (79) | (43) | (78) | (19) | (11) | (13) | (35) |
| Interest paid | (1,080) | (192) | (352) | (230) | (306) | (1,112) | (235) | (321) | (240) | (316) |
| Income taxes paid (net of refunds) | (913) | (302) | (407) | (95) | (109) | (846) | (383) | (236) | 6 | (233) |
| Acquisition and other costs paid | (35) | (29) | - | (2) | (4) | (35) | (2) | (13) | (11) | (9) |
| Change in contract assets | 278 | (21) | 53 | 102 | 144 | 704 | 132 | 178 | 239 | 155 |
| Change in wireless device financing plan receivables | (365) | (121) | (92) | (61) | (91) | (867) | (319) | (322) | (150) | (76) |
| Net change in operating assets and liabilities | 372 | 30 | 29 | 325 | (12) | 636 | 129 | 420 | 487 | (400) |
| Cash from discontinued operations | - | - | - | - | - | 54 | - | 15 | 17 | 22 |
| Cash flows from operating activities | 8,008 | 1,743 | 1,774 | 2,499 | 1,992 | 7,754 | 1,631 | 2,110 | 2,562 | 1,451 |
| Capital expenditures | (4,837) | (1,459) | (1,159) | (1,207) | (1,012) | (4,202) | (1,494) | (1,031) | (900) | (777) |
| Cash dividends paid on preferred shares | (125) | (32) | (31) | (31) | (31) | (132) | (31) | (32) | (33) | (36) |
| Cash dividends paid by subsidiaries to non-controlling interest | (86) | (45) | (13) | (15) | (13) | (53) | (16) | (11) | (12) | (14) |
| Acquisition and other costs paid | 35 | 29 | - | 2 | 4 | 35 | 2 | 13 | 11 | 9 |
| Cash from discontinued operations (included in cash flows from operating activities) | - | - | - | - | - | (54) | - | (15) | (17) | (22) |
| Free cash flow | 2,995 | 236 | 571 | 1,248 | 940 | 3,348 | 92 | 1,034 | 1,611 | 611 |
| Cash from discontinued operations (included in cash flows from operating activities) | - | - | - | - | - | 54 | - | 15 | 17 | 22 |
| Business acquisitions | (12) | - | (1) | (11) | - | (65) | (42) | - | (23) | - |
| Acquisition and other costs paid | (35) | (29) | - | (2) | (4) | (35) | (2) | (13) | (11) | (9) |
| Acquisition of spectrum licences | (2,082) | (1,664) | (418) | - | - | (86) | - | (85) | - | (1) |
| Other investing activities | (72) | (23) | (11) | (17) | (21) | (79) | (12) | (49) | (13) | (5) |
| Cash from (used in) discontinued operations (included in cash flows from investing activities) | - | - | - | - | - | 892 | 913 | (6) | (8) | (7) |
| Increase (decrease) in notes payable and bank advances | 351 | 719 | (322) | 311 | (357) | (1,641) | (524) | 317 | (1,204) | (230) |
| (Decrease) increase in securitized trade receivables | (150) | (130) | (7) | - | (13) | - | 23 | (23) | (400) | 400 |
| Issue of long-term debt | 4,985 | - | 1,570 | 500 | 2,915 | 6,006 | - | 750 | 1,975 | 3,281 |
| Repayment of long-term debt | (2,751) | (235) | (249) | (2,041) | (226) | (5,003) | (1,094) | (979) | (2,221) | (709) |
| Issue of common shares | 261 | 16 | 172 | 63 | 10 | 26 | 4 | - | - | 22 |
| Purchase of shares for settlement of share-based payments | (297) | (52) | (83) | (71) | (91) | (263) | (54) | (40) | (75) | (94) |
| Cash dividends paid on common shares | (3,132) | (795) | (793) | (791) | (753) | (2,975) | (753) | (753) | (753) | (716) |
| Other financing activities | (78) | (3) | (14) | (44) | (17) | (93) | (6) | (32) | (25) | (30) |
| Cash used in discontinued operations (included in cash flows from financing activities) | - | - | - | - | - | (7) | - | (4) | (2) | (1) |
| | (3,012) | (2,196) | (156) | (2,103) | 1,443 | (3,269) | (1,547) | (902) | (2,743) | 1,923 |
| Net (decrease) increase in cash | (17) | (1,879) | 334 | (155) | 1,683 | 83 | (1,258) | 185 | 354 | 802 |
| Cash at beginning of period | 224 | 2,086 | 1,752 | 1,907 | 224 | 141 | 1,482 | 1,297 | 943 | 141 |
| Cash at end of period | 207 | 207 | 2,086 | 1,752 | 1,907 | 224 | 224 | 1,482 | 1,297 | 943 |
| Net (decrease) increase in cash equivalents | - | (81) | 81 | (700) | 700 | (4) | (197) | (53) | (1,486) | 1,732 |
| Cash equivalents at beginning of period | - | 81 | - | 700 | - | 4 | 197 | 250 | 1,736 | 4 |
| Cash equivalents at end of period | - | - | 81 | - | 700 | - | - | 197 | 250 | 1,736 |

Accompanying Notes

- (1) Our results are reported in three segments: Bell Wireless, Bell Wireline and Bell Media. Our segments reflect how we manage our business and how we classify our operations for planning and measuring performance.

Throughout this report, *we, us, our, BCE and the company* mean, as the context may require, either BCE Inc. or, collectively, BCE Inc., Bell Canada, their subsidiaries, joint arrangements and associates. *Bell* means, as the context may require, either Bell Canada or, collectively, Bell Canada, its subsidiaries, joint arrangements and associates.

(2) **Non-GAAP and other financial measures**

BCE uses various financial measures to assess its business performance. Certain of these measures are calculated in accordance with International Financial Reporting Standards (IFRS 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 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*, prescribes disclosure requirements that apply to the following specified financial measures:

- Non-GAAP financial measures;
- Non-GAAP ratios;
- Total of segments measures;
- Capital management measures; and
- Supplementary financial measures.

This section provides a description and classification of the specified financial measures contemplated by NI 52-112 that we use in this report 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 report if the supplementary financial measures' labelling is not sufficiently descriptive.

(2.1) **Non-GAAP financial measures**

A non-GAAP financial measure is a financial measure used to depict our historical or expected future financial performance, financial position or cash flow and, with respect to its composition, either excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most directly comparable financial measure disclosed in BCE's consolidated primary financial statements. We believe that non-GAAP financial measures are more reflective of our on-going operating results and provide readers with a better understanding of management's perspective on and analysis of our performance.

Below are descriptions of the non-GAAP financial measures that we use in this report to explain our results. Except for adjusted net interest expense, for which a reconciliation is provided below, reconciliations to the most directly comparable IFRS financial measures are set out earlier in this report.

Adjusted net earnings

The term adjusted net earnings does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define adjusted net earnings as net earnings attributable to common shareholders before severance, acquisition and other costs, net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans, net equity losses (gains) on investments in associates and joint ventures, net losses (gains) on investments, early debt redemption costs, impairment of assets and discontinued operations, net of tax and NCI.

We use adjusted net earnings and we believe that certain investors and analysts use this measure, among other ones, to assess the performance of our businesses without the effects of severance, acquisition and other costs, net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans, net equity losses (gains) on investments in associates and joint ventures, net losses (gains) on investments, early debt redemption costs, impairment of assets and discontinued operations, net of tax and NCI. We exclude these items because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring.

The most directly comparable IFRS financial measure is net earnings attributable to common shareholders. Refer to pages 2 and 3 of this report for a reconciliation of net earnings attributable to common shareholders to adjusted net earnings.

Free cash flow

The term free cash flow does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define free cash flow as cash flows from operating activities, excluding cash from discontinued operations, acquisition and other costs paid (which include significant litigation costs) and voluntary pension funding, less capital expenditures, preferred share dividends and dividends paid by subsidiaries to NCI. We exclude cash from discontinued operations, acquisition and other costs paid and voluntary pension funding because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring.

We consider free cash flow to be an important indicator of the financial strength and performance of our businesses. Free cash flow shows how much cash is available to pay dividends on common shares, repay debt and reinvest in our company. We believe that certain investors and analysts use free cash flow to value a business and its underlying assets and to evaluate the financial strength and performance of our businesses. The most directly comparable IFRS financial measure is cash flows from operating activities. Refer to pages 10, 12 and 13 of this report for a reconciliation of cash flows from operating activities to free cash flow.

Net debt

The term net debt does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define net debt as debt due within one year plus long-term debt and 50% of preferred shares, less cash and cash equivalents, as shown in BCE's consolidated statements of financial position. We include 50% of outstanding preferred shares in our net debt as it is consistent with the treatment by certain credit rating agencies.

We consider net debt to be an important indicator of the company's financial leverage because it represents the amount of debt that is not covered by available cash and cash equivalents. We believe that certain investors and analysts use net debt to determine a company's financial leverage.

Net debt is calculated using several asset and liability categories from the statements of financial position. The most directly comparable IFRS financial measure is long-term debt. Refer to page 10 of this report for a reconciliation of long-term debt to net debt.

Adjusted net interest expense

The term adjusted net interest expense does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers.

We define adjusted net interest expense as twelve-month trailing net interest expense as shown in our consolidated statements of cash flows, plus 50% of twelve-month trailing net earnings attributable to preferred shareholders as shown in our consolidated income statements.

We use adjusted net interest expense as a component in the calculation of the adjusted EBITDA to adjusted net interest expense ratio, which is a capital management measure. For further details on the adjusted EBITDA to adjusted net interest expense ratio, see note 2.4, *Capital management measures* below. We use and believe that certain investors and analysts use the adjusted EBITDA to adjusted net interest expense ratio, among other measures, to evaluate the financial health of the company.

The most directly comparable IFRS financial measure is net interest expense. The following table is a reconciliation of net interest expense to adjusted net interest expense on a consolidated basis.

| | 2021 | 2020 |
|--|--------------|--------------|
| Net interest expense | 1,063 | 1,087 |
| 50% of net earnings attributable to preferred shareholders | 66 | 68 |
| Adjusted net interest expense | 1,129 | 1,155 |

(2.2) Non-GAAP ratios

A non-GAAP ratio is a financial measure disclosed in the form of a ratio, fraction, percentage or similar representation and that has a non-GAAP financial measure as one or more of its components.

Adjusted EPS

The term adjusted EPS does not have any standardized meaning under IFRS. 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, see note 2.1 – *Non-GAAP financial measures* above.

We use adjusted EPS, and we believe that certain investors and analysts use this measure, among other ones, to assess the performance of our businesses without the effects of severance, acquisition and other costs, net mark-to-market losses (gains) on derivatives used to economically hedge equity settled share-based compensation plans, net equity losses (gains) on investments in associates and joint ventures, net losses (gains) on investments, early debt redemption costs, impairment of assets and discontinued operations, net of tax and NCI. We exclude these items because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring.

(2.3) **Total of segments measures**

A total of segments measure is a financial measure that is a subtotal or total of 2 or more reportable segments and is disclosed within the Notes to BCE's consolidated primary financial statements.

Adjusted EBITDA

We define adjusted EBITDA as operating revenues less operating costs as shown in BCE's consolidated income statements.

The most directly comparable IFRS financial measure is net earnings. The following table is a reconciliation of net earnings to adjusted EBITDA on a consolidated basis.

| | 2021 | 2020 |
|---|--------------|--------------|
| Net earnings | 2,892 | 2,699 |
| Severance, acquisition and other costs | 209 | 116 |
| Depreciation | 3,627 | 3,475 |
| Amortization | 982 | 929 |
| Finance costs | | |
| Interest expense | 1,082 | 1,110 |
| Interest on post-employment benefit obligations | 20 | 46 |
| Impairment of assets | 197 | 472 |
| Other (income) expense | (160) | 194 |
| Income taxes | 1,044 | 792 |
| Net earnings from discontinued operations (net of income taxes) | - | (226) |
| Adjusted EBITDA | 9,893 | 9,607 |

(2.4) **Capital management measures**

A capital management measure is a financial measure that is intended to enable a reader to evaluate our objectives, policies and processes for managing our capital and is disclosed within the Notes to BCE's consolidated financial statements.

The financial reporting framework used to prepare the financial statements requires disclosure that helps readers assess the company's capital management objectives, policies, and processes, as set out in IFRS in IAS – 1 – *Presentation of Financial Statements*. BCE has its own methods for managing capital and liquidity, and IFRS does not prescribe any particular calculation method.

Net debt leverage ratio

The net debt leverage ratio 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, see note 2.1, *Non-GAAP financial measures* above. 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.

Adjusted EBITDA to adjusted net interest expense ratio

The adjusted EBITDA to adjusted net interest expense ratio represents adjusted EBITDA divided by adjusted net interest expense. For the purposes of calculating our adjusted EBITDA to adjusted net interest expense ratio, adjusted EBITDA is twelve-month trailing adjusted EBITDA. Adjusted net interest expense used in the calculation of the adjusted EBITDA to adjusted net interest expense ratio is a non-GAAP financial measure defined as twelve-month trailing net interest expense as shown in our consolidated statements of cash flows, plus 50% of twelve-month trailing net earnings attributable to preferred shareholders as shown in our consolidated income statements. For further details on adjusted net interest expense, see note 2.1, *Non-GAAP financial measures* above.

We use, and believe that certain investors and analysts use, the adjusted EBITDA to adjusted net interest expense ratio, among other measures, to evaluate the financial health of the company.

(2.5) Supplementary financial measures

A supplementary financial measure is a financial measure that is not reported in BCE's consolidated financial statements, and is, or is intended to be, reported periodically to represent historical or expected future financial performance, financial position, or cash flows.

An explanation of such measures is provided where they are first referred to in this report if the supplementary financial measures' labelling is not sufficiently descriptive.

(3) Key performance indicators (KPIs)

In addition to the non-GAAP financial measures and other financial measures described previously, we use the following KPIs to measure the success of our strategic imperatives. These KPIs are not accounting measures and may not be comparable to similar measures presented by other issuers.

Adjusted EBITDA margin is defined as adjusted EBITDA divided by operating revenues.

Capital intensity is defined as capital expenditures divided by operating revenues.

Mobile phone blended ARPU is calculated by dividing wireless operating service revenues by the average mobile phone subscriber base for the specified period and is expressed as a dollar unit per month.

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

Mobile phone subscriber unit is comprised of a recurring revenue generating portable unit (e.g. smartphones and feature phones) on an active service plan, that has access to our wireless networks and includes voice, text and/or data connectivity. We report mobile phone subscriber units in two categories: postpaid and prepaid. Prepaid mobile phone subscriber units are considered active for a period of 90 days following the expiry of the subscriber's prepaid balance.

Mobile connected device subscriber unit is comprised of a recurring revenue generating portable unit (e.g. tablets, wearables, mobile Internet devices and Internet of Things) on an active service plan, that has access to our wireless networks and is intended for limited or no cellular voice capability.

Wireline subscriber unit consists of an active revenue-generating unit with access to our services, including retail Internet, satellite TV, IPTV, and/or residential NAS. A subscriber is included in our subscriber base when the service has been installed and is operational at the customer premise and a billing relationship has been established.

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