

Q1

Supplementary Financial Information

First Quarter 2024

BCE Investor Relations

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BCE ⁽¹⁾
Consolidated Operational Data

| | Q1 | Ī | Q1 | | |
|--|-------------|-----|-------------|--------------|--------------------|
| (In millions of Canadian dollars, except share amounts) (unaudited) | 2024 | | 2023 | \$ change | % change |
| Operating revenues | | 1 | | | |
| Service | 5,192 | | 5,222 | (30) | (0.6%) |
| Product | 819 | | 832 | (13) | (1.6%) |
| Total operating revenues | 6,011 | | 6,054 | (43) | (0.7%) |
| Operating costs | (3,446) |) | (3,516) | 70 | 2.0% |
| Adjusted EBITDA ^(A) | 2,565 | | 2,538 | 27 | 1.1% |
| Adjusted EBITDA margin (B)(3) | 42.7% | | 41.9% | | 0.8 pts |
| Severance, acquisition and other costs | (229) | | (49) | (180) | n.m. |
| Depreciation | (946) | ' I | (918) | (28) | (3.1%) |
| Amortization | (316) | וי | (283) | (33) | (11.7%) |
| Finance costs | (446) | , I | (244) | (72) | (20, 00/) |
| Interest expense Net return on post-employment benefit plans | (416) 16 | | (344) 27 | (72) (11) | (20.9%) (40.7%) |
| Impairment of assets | (13) | | (34) | 21 | 61.8% |
| Other (expense) income | (38) | | 121 | (159) | n.m. |
| Income taxes | (166) | | (270) | 104 | 38.5% |
| Net earnings | 457 | | 788 | (331) | (42.0%) |
| Net earnings attributable to: | | | | | |
| Common shareholders | 402 | | 725 | (323) | (44.6%) |
| Preferred shareholders | 47 | | 46 | 1 | 2.2% |
| Non-controlling interest | 8 | | 17 | (9) | (52.9%) |
| Net earnings | 457 | | 788 | (331) | (42.0%) |
| Net earnings per common share - basic and diluted | \$ 0.44 | \$ | 0.79 | \$ (0.35) | (44.3%) |
| Dividends per common share | \$ 0.9975 | \$ | 0.9675 | \$ 0.0300 | 3.1% |
| Weighted average number of common shares outstanding - basic (millions) | 912.3 | | 912.1 | | |
| Weighted average number of common shares outstanding - diluted (millions) | 912.3 | | 912.3 | | |
| Number of common shares outstanding (millions) | 912.3 | | 912.2 | | |
| Adjusted net earnings and adjusted EPS | | | | | |
| Net earnings attributable to common shareholders | 402 | | 725 | (323) | (44.6%) |
| Reconciling items: | | | | | |
| Severance, acquisition and other costs | 229 | | 49 | 180 | n.m. |
| Net mark-to-market losses (gains) on derivatives used to economically hedge equity | | | | | |
| settled share-based compensation plans | 90 | | (18) | 108 | n.m. |
| Net losses on investments | 6 | | - | 6 | - |
| Impairment of assets | 13 | .1 | 34 | (21) | (61.8%) |
| Income taxes for the above reconciling items | (85) | | (18) | (67) | n.m. |
| Non-controlling interest (NCI) for the above reconciling items | (1) | _ | | (1) | |
| Adjusted net earnings (A) | 654 | + | 772 | (118) | (15.3%) |
| Adjusted EPS ^(A) | \$ 0.72 | \$ | 0.85 | \$ (0.13) | (15.3%) |

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.

BCE Consolidated Operational Data - Historical Trend

| | | | TOTAL | | | | | | | |
|--|-----------------|------------------|----------------|-------------------|----|---------|----|-------------------|----|---------|
| (In millions of Canadian dollars, except share amounts) (unaudited) | Q1 | 24 | 2023 | Q4 23 | | Q3 23 | | Q2 23 | | Q1 23 |
| Operating revenues | | - | | <u> </u> | | 40 20 | | <u> </u> | | |
| Service | 5,1 | 92 | 21,154 | 5,348 | | 5,281 | | 5,303 | | 5,222 |
| Product | • | 19 | 3,519 | 1,125 | | 799 | | 763 | | 832 |
| Total operating revenues | 6,0 | | 24,673 | 6,473 | | 6,080 | | 6,066 | | 6,054 |
| Operating costs | (3,4 | 16) | (14,256) | (3.906) | | (3,413) | | (3.421) | | (3,516) |
| Adjusted EBITDA | 2,5 | | 10,417 | 2,567 | | 2,667 | | 2,645 | | 2,538 |
| Adjusted EBITDA margin | 42. | | 42.2% | 39.7% | | 43.9% | | 43.6% | | 41.9% |
| Severance, acquisition and other costs | | 29) | (200) | (41) | | (10) | | (100) | | (49) |
| Depreciation | | 16) | (3,745) | (954) | | (937) | | (936) | | (918) |
| Amortization | • | 16) | (1,173) | (299) | | (295) | | (296) | | (283) |
| Finance costs | ` | , | , , | , | | , | | , , | | , |
| Interest expense | (4 | 16) | (1,475) | (399) | | (373) | | (359) | | (344) |
| Net return on post-employment benefit plans | • | 16 | 108 | ` 27 [°] | | ` 27 | | ` 27 [′] | | ` 27 |
| Impairment of assets | (| 13) | (143) | (109) | | _ | | - | | (34) |
| Other (expense) income | | 38) | (466) | (147) | | (129) | | (311) | | 121 |
| Income taxes | | 36) | (996) | (210) | | (243) | | (273) | | (270) |
| Net earnings | | 57 | 2,327 | 435 | | 707 | | 397 | | 788 |
| Net earnings attributable to: | | | | | | | | | | |
| Common shareholders | 4 |)2 | 2,076 | 382 | | 640 | | 329 | | 725 |
| Preferred shareholders | | 47 | 187 | 48 | | 47 | | 46 | | 46 |
| Non-controlling interest | | 8 | 64 | 5 | | 20 | | 22 | | 17 |
| Net earnings | 4 | 5 7 – | 2,327 | 435 | | 707 | | 397 | | 788 |
| | | | ,- | | | | | | | |
| Net earnings per common share - basic and diluted | \$ 0. | 14 : | \$ 2.28 | \$ 0.42 | \$ | 0.70 | \$ | 0.37 | \$ | 0.79 |
| Dividends per common share | \$ 0.99 | 75 | \$ 3.8700 | \$ 0.9675 | \$ | 0.9675 | \$ | 0.9675 | \$ | 0.9675 |
| Weighted average number of common shares outstanding - basic (millions) | 912 | 3 | 912.2 | 912.3 | | 912.3 | | 912.2 | | 912.1 |
| Weighted average number of common shares outstanding - diluted (millions) | 912 | | 912.2 | 912.3 | | 912.3 | | 912.5 | | 912.3 |
| Number of common shares outstanding (millions) | 912 | | 912.3 | 912.3 | | 912.3 | | 912.3 | | 912.2 |
| | | | | | | | | | | |
| Adjusted net earnings and adjusted EPS Net earnings attributable to common shareholders | A | <u> </u> | 2,076 | 382 | | 640 | | 329 | | 725 |
| Reconciling items: | 4 |)2 | 2,070 | 302 | | 040 | | 329 | | 723 |
| Severance, acquisition and other costs | 2 | 29 | 200 | 41 | | 10 | | 100 | | 49 |
| Net mark-to-market losses (gains) on derivatives used to economically hedge | _ | -0 | 200 | 71 | | 10 | | 100 | | 40 |
| equity settled share-based compensation plans | | 90 | 103 | (6) | | 128 | | (1) | | (18) |
| Net equity losses on investments in associates and joint ventures | , | - | 581 | 204 | | - | | 377 | | (10) |
| Net losses (gains) on investments | | 6 | (80) | (2) | | 1 | | (79) | | _ |
| Early debt redemption costs | | - | 1 | (-) | | - | | 1 | | _ |
| Impairment of assets | | 13 | 143 | 109 | | _ | | · <u>-</u> | | 34 |
| Income taxes for the above reconciling items | | 35) | (100) | (39) | | (38) | | (5) | | (18) |
| NCI for the above reconciling items | | (1) | 2 | 2 | | - | | - | | - |
| Adjusted net earnings | | \., _ | 2,926 | | | 741 | | 722 | | 772 |
| Adjusted EPS | | | \$ 3.21 | \$ 0.76 | \$ | | \$ | 0.79 | \$ | 0.85 |
| | , v. | | - 0 | 50 | Ψ | J.U. | * | 0.10 | Ψ | - 0.00 |

BCE ⁽¹⁾ Segmented Data

| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | Q1 2024 | Q1 2023 | \$ change | % change |
|---|------------|------------|-----------|-----------|
| Operating revenues | | | | |
| Bell Communication and Technology Services (Bell CTS) | 5,375 | 5,367 | 8 | 0.1% |
| Bell Media | 725 | 780 | (55) | (7.1%) |
| Inter-segment eliminations | (89) | (93) | 4 | 4.3% |
| Total | 6,011 | 6,054 | (43) | (0.7%) |
| Operating costs | | | | |
| Bell CTS | (2,927) | (2,961) | 34 | 1.1% |
| Bell Media | (608) | (648) | 40 | 6.2% |
| Inter-segment eliminations | 89 | 93 | (4) | (4.3%) |
| Total | (3,446) | (3,516) | 70 | 2.0% |
| Adjusted EBITDA | | | | |
| Bell CTS | 2,448 | 2,406 | 42 | 1.7% |
| Margin | 45.5% | 44.8% | | 0.7 pts |
| Bell Media | 117 | 132 | (15) | (11.4%) |
| Margin | 16.1% | 16.9% | | (0.8) pts |
| Total | 2,565 | 2,538 | 27 | 1.1% |
| Margin | 42.7% | 41.9% | | 0.8 pts |
| Capital expenditures | | | | |
| Bell CTS | 975 | 1,052 | 77 | 7.3% |
| Capital intensity ^{(A)(3)} | 18.1% | 19.6% | | 1.5 pts |
| Bell Media | 27 | 34 | 7 | 20.6% |
| Capital intensity | 3.7% | 4.4% | | 0.7 pts |
| Total | 1,002 | 1,086 | 84 | 7.7% |
| Capital intensity | 16.7% | 17.9% | | 1.2 pts |

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

BCE Segmented Data - Historical Trend

| | | TOTAL | | | | |
|---|-------------|----------|---------|-------------------|---------|---------|
| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | Q1 24 | 2023 | Q4 23 | Q3 23 | Q2 23 | Q1 23 |
| Operating revenues | | | | | | |
| Bell CTS | 5,375 | 21,926 | 5,744 | 5,461 | 5,354 | 5,367 |
| Bell Media | 725 | 3,117 | 822 | 710 | 805 | 780 |
| Inter-segment eliminations | (89) | (370) | (93) | (91) | (93) | (93) |
| Total | 6,011 | 24,673 | 6,473 | 6,080 | 6,066 | 6,054 |
| Operating costs | | | | | | |
| Bell CTS | (2,927) | (12,206) | (3,325) | (2,997) | (2,923) | (2,961) |
| Bell Media | (608) | (2,420) | (674) | (507) | (591) | (648) |
| Inter-segment eliminations | . 89 | 370 | 93 | ` 91 [′] | 93 | 93 |
| Total | (3,446) | (14,256) | (3,906) | (3,413) | (3,421) | (3,516) |
| Adjusted EBITDA | | | | | | |
| Bell CTS | 2,448 | 9,720 | 2,419 | 2,464 | 2,431 | 2,406 |
| Margin | 45.5% | 44.3% | 42.1% | 45.1% | 45.4% | 44.8% |
| Bell Media | 117 | 697 | 148 | 203 | 214 | 132 |
| Margin | 16.1% | 22.4% | 18.0% | 28.6% | 26.6% | 16.9% |
| Total | 2,565 | 10,417 | 2,567 | 2,667 | 2,645 | 2,538 |
| Margin | 42.7% | 42.2% | 39.7% | 43.9% | 43.6% | 41.9% |
| Capital expenditures | | | | | | |
| Bell CTS | 975 | 4,421 | 975 | 1,123 | 1,271 | 1,052 |
| Capital intensity | 18.1% | 20.2% | 17.0% | 20.6% | 23.7% | 19.6% |
| Bell Media | 27 | 160 | 54 | 36 | 36 | 34 |
| Capital intensity | 3.7% | 5.1% | 6.6% | 5.1% | 4.5% | 4.4% |
| Total | 1,002 | 4,581 | 1,029 | 1,159 | 1,307 | 1,086 |
| Capital intensity | 16.7% | 18.6% | 15.9% | 19.1% | 21.5% | 17.9% |

Bell CTS (1)

| | Q1 | Q1 | |
|---|---------|---------|----------|
| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | 2024 | 2023 | % change |
| Bell CTS | | | |
| Operating revenues | | | |
| Wireless | 1,774 | 1,723 | 3.0% |
| Wireline data | 2,012 | 2,001 | 0.5% |
| Wireline voice | 683 | 726 | (5.9%) |
| Other wireline services | 81 | 78 | 3.8% |
| External service revenues | 4,550 | 4,528 | 0.5% |
| Inter-segment service revenues | 6 | 7 | (14.3%) |
| Operating service revenues | 4,556 | 4,535 | 0.5% |
| Wireless | 684 | 626 | 9.3% |
| Wireline | 135 | 206 | (34.5%) |
| External/Operating product revenues | 819 | 832 | (1.6%) |
| Total external revenues | 5,369 | 5,360 | 0.2% |
| Total operating revenues | 5,375 | 5,367 | 0.1% |
| Operating costs | (2,927) | (2,961) | 1.1% |
| Adjusted EBITDA | 2,448 | 2,406 | 1.7% |
| Adjusted EBITDA margin | 45.5% | 44.8% | 0.7 pts |
| Capital expenditures | 975 | 1,052 | 7.3% |
| Capital intensity | 18.1% | 19.6% | 1.5 pts |
| Oupitul Interiority | 10.170 | 19.070 | 1.0 pto |

Bell CTS - Historical Trend

| | | TOTAL | | | | |
|---|---------|----------|---------|---------|---------|---------|
| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | Q1 24 | 2023 | Q4 23 | Q3 23 | Q2 23 | Q1 23 |
| Bell CTS | | | | | | |
| Operating revenues | | | | | | |
| Wireless | 1,774 | 7,120 | 1,803 | 1,828 | 1,766 | 1,723 |
| Wireline data | 2,012 | 8,084 | 2,030 | 2,032 | 2,021 | 2,001 |
| Wireline voice | 683 | 2,862 | 697 | 717 | 722 | 726 |
| Other wireline services | 81 | 312 | 81 | 78 | 75 | 78 |
| External service revenues | 4,550 | 18,378 | 4,611 | 4,655 | 4,584 | 4,528 |
| Inter-segment service revenues | 6 | 29 | 8 | 7 | 7 | 7 |
| Operating service revenues | 4,556 | 18,407 | 4,619 | 4,662 | 4,591 | 4,535 |
| Wireless | 684 | 2,885 | 961 | 672 | 626 | 626 |
| Wireline | 135 | 634 | 164 | 127 | 137 | 206 |
| External/Operating product revenues | 819 | 3,519 | 1,125 | 799 | 763 | 832 |
| Total external revenues | 5,369 | 21,897 | 5,736 | 5,454 | 5,347 | 5,360 |
| Total operating revenues | 5,375 | 21,926 | 5,744 | 5,461 | 5,354 | 5,367 |
| Operating costs | (2,927) | (12,206) | (3,325) | (2,997) | (2,923) | (2,961) |
| Adjusted EBITDA | 2,448 | 9,720 | 2,419 | 2,464 | 2,431 | 2,406 |
| Adjusted EBITDA margin | 45.5% | 44.3% | 42.1% | 45.1% | 45.4% | 44.8% |
| Capital expenditures | 975 | 4,421 | 975 | 1,123 | 1,271 | 1,052 |
| Capital intensity | 18.1% | 20.2% | 17.0% | 20.6% | 23.7% | 19.6% |

| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | Q1 2024 | Q1 2023 | % change |
|---|------------|------------|-------------|
| Mobile phone subscribers ⁽³⁾ | | | 70 Silenige |
| Gross subscriber activations | 507,439 | 405,535 | 25.1% |
| Postpaid | 366,874 | 272,609 | 34.6% |
| Prepaid | 140,565 | 132,926 | 5.7% |
| Net subscriber activations (losses) | 25,208 | 26,635 | (5.4%) |
| Postpaid | 45,247 | 43,289 | 4.5% |
| Prepaid | (20,039) | (16,654) | (20.3%) |
| Subscribers end of period ^(A) | 10,206,452 | 9,902,492 | 3.1% |
| Postpaid ^(A) | 9,362,275 | 9,039,947 | 3.6% |
| Prepaid | 844,177 | 862,545 | (2.1%) |
| Blended average revenue per user (ARPU) (\$/month) ^{(3)(A)} | 58.14 | 58.15 | - |
| Blended churn (%) (average per month) ⁽³⁾ | 1.59% | 1.29% | (0.30) pts |
| Postpaid | 1.21% | 0.90% | (0.31) pts |
| Prepaid | 5.74% | 5.28% | (0.46) pts |
| Mobile connected device subscribers ⁽³⁾ | | | |
| Net subscriber activations | 66,406 | 70,742 | (6.1%) |
| Subscribers EOP | 2,798,954 | 2,509,983 | 11.5% |
| Retail high-speed Internet subscribers ⁽³⁾ | | | |
| Retail net subscriber activations | 31,078 | 27,274 | 13.9% |
| Retail subscribers EOP ^{(B)(C)(D)} | 4,496,712 | 4,278,497 | 5.1% |
| Retail internet protocol television (IPTV) subscribers ^{(3)(E)} | | | |
| Retail IPTV net subscriber activations | 14,174 | 10,899 | 30.0% |
| Retail IPTV subscribers EOP ^(D) | 2,084,516 | 1,999,080 | 4.3% |
| Retail residential network access services (NAS) ⁽³⁾ | | | |
| Retail residential NAS lines net losses | (43,911) | (46,881) | 6.3% |
| Retail residential NAS lines ^(D) | 1,977,706 | 2,143,890 | (7.8%) |

⁽A) In Q1 2024, we adjusted our mobile phone postpaid subscriber base to remove very low to non-revenue generating business market subscribers of 105,802.

⁽B) In Q1 2024, we removed 11,645 turbo hubs subscribers from our retail high-speed Internet subscriber base as we are no longer actively marketing this product in our wireless-to-the-home footprint.

⁽C) In Q1 2024, our retail high-speed Internet subscriber base increased by 3,850 business subscribers as a result of a small acquisition.

⁽D) In Q2 2023, our retail high-speed Internet, retail IPTV and retail residential NAS lines subscriber bases increased by 35,080, 243 and 7,458 subscribers, respectively, as a result of small acquisitions.

⁽E) As of Q1 2024, we are no longer reporting retail satellite TV subscribers as this no longer represents a significant proportion of our revenues. As a result, satellite TV subscribers have been removed from our retail TV subscriber base, and we now report exclusively retail IPTV subscribers.

| | | TOTAL | | | | |
|---|------------|------------|------------|------------|------------|-----------|
| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | Q1 24 | 2023 | Q4 23 | Q3 23 | Q2 23 | Q1 23 |
| Mobile phone subscribers | | | | | | |
| Gross subscriber activations | 507,439 | 2,224,555 | 712,310 | 603,770 | 502,940 | 405,535 |
| Postpaid | 366,874 | 1,608,503 | 564,784 | 423,364 | 347,746 | 272,609 |
| Prepaid | 140,565 | 616,052 | 147,526 | 180,406 | 155,194 | 132,926 |
| Net subscriber activations (losses) | 25,208 | 411,189 | 92,085 | 166,930 | 125,539 | 26,635 |
| Postpaid | 45,247 | 426,172 | 128,715 | 142,886 | 111,282 | 43,289 |
| Prepaid | (20,039) | (14,983) | (36,630) | 24,044 | 14,257 | (16,654) |
| Subscribers end of period ^(A) | 10,206,452 | 10,287,046 | 10,287,046 | 10,194,961 | 10,028,031 | 9,902,492 |
| Postpaid ^(A) | 9,362,275 | 9,422,830 | 9,422,830 | 9,294,115 | 9,151,229 | 9,039,947 |
| Prepaid | 844,177 | 864,216 | 864,216 | 900,846 | 876,802 | 862,545 |
| Blended ARPU (\$/month) ^(A) | 58.14 | 59.08 | 58.71 | 60.28 | 59.16 | 58.15 |
| Blended churn (%) (average per month) | 1.59% | 1.51% | 2.03% | 1.45% | 1.27% | 1.29% |
| Postpaid | 1.21% | 1.15% | 1.63% | 1.10% | 0.94% | 0.90% |
| Prepaid | 5.74% | 5.31% | 6.15% | 5.10% | 4.68% | 5.28% |
| Mobile connected device subscribers | | | | | | |
| Net subscriber activations | 66,406 | 293,307 | 78,746 | 64,282 | 79,537 | 70,742 |
| Subscribers EOP | 2,798,954 | 2,732,548 | 2,732,548 | 2,653,802 | 2,589,520 | 2,509,983 |
| Retail high-speed Internet subscribers | | | | | | |
| Retail net subscriber activations | 31,078 | 187,126 | 55,591 | 79,327 | 24,934 | 27,274 |
| Retail subscribers EOP ^{(B)(C)(D)} | 4,496,712 | 4,473,429 | 4,473,429 | 4,417,838 | 4,338,511 | 4,278,497 |
| Retail IPTV subscribers ^(E) | | | | | | |
| Retail IPTV net subscriber activations | 14,174 | 81,918 | 23,537 | 35,976 | 11,506 | 10,899 |
| Retail IPTV subscribers EOP ^(D) | 2,084,516 | 2,070,342 | 2,070,342 | 2,046,805 | 2,010,829 | 1,999,080 |
| Retail residential NAS | | | | | | |
| Retail residential NAS lines net losses | (43,911) | (176,612) | (38,347) | (41,776) | (49,608) | (46,881) |
| Retail residential NAS lines ^(D) | 1,977,706 | 2,021,617 | 2,021,617 | 2,059,964 | 2,101,740 | 2,143,890 |

⁽A) In Q1 2024, we adjusted our mobile phone postpaid subscriber base to remove very low to non-revenue generating business market subscribers of 105,802.

⁽B) In Q1 2024, we removed 11,645 turbo hubs subscribers from our retail high-speed Internet subscriber base as we are no longer actively marketing this product in our wireless-to-the-home footprint.

⁽C) In Q1 2024, our retail high-speed Internet subscriber base increased by 3,850 business subscribers as a result of a small acquisition.

⁽D) In Q2 2023, our retail high-speed Internet, retail IPTV and retail residential NAS lines subscriber bases increased by 35,080, 243 and 7,458 subscribers, respectively, as a result of small acquisitions.

⁽E) As of Q1 2024, we are no longer reporting retail satellite TV subscribers as this no longer represents a significant proportion of our revenues. As a result, satellite TV subscribers have been removed from our retail TV subscriber base, and we now report exclusively retail IPTV subscribers.

| BCE - Net debt and preferred shares | | |
|---|----------|-------------|
| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | | |
| | March 31 | December 31 |
| | 2024 | 2023 |
| | | |
| Long-term debt | 31,283 | 31,135 |
| Debt due within one year | 6,386 | 5,042 |
| 50% of preferred shares | 1,807 | 1,834 |
| Cash | (789) | (547) |
| Cash equivalents | (171) | (225) |
| Short-term investments | (700) | (1,000) |
| Net debt ^(A) | 37,816 | 36,239 |
| Net debt leverage ratio ^(A) | 3.62 | 3.48 |

| Cash flow information | | | | |
|---|---------|---------|-----------|----------|
| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | Q1 | Q1 | | |
| | 2024 | 2023 | \$ change | % change |
| Free cash flow (FCF) ^(A) | | | | |
| Cash flows from operating activities | 1,132 | 1,247 | (115) | (9.2%) |
| Capital expenditures | (1,002) | (1,086) | 84 | 7.7% |
| Cash dividends paid on preferred shares | (46) | (55) | 9 | 16.4% |
| Cash dividends paid by subsidiaries to non-controlling interest | (14) | (21) | 7 | 33.3% |
| Acquisition and other costs paid | 15 | - | 15 | n.m. |
| FCF | 85 | 85 | - | - |

| Cash flow information - Historical trend | | | | | | |
|---|------------|---------------|------------|------------|------------|------------|
| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | Q1 2024 | TOTAL 2023 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
| FCF | | | | | | |
| Cash flows from operating activities | 1,132 | 7,946 | 2,373 | 1,961 | 2,365 | 1,247 |
| Capital expenditures | (1,002) | (4,581) | (1,029) | (1,159) | (1,307) | (1,086) |
| Cash dividends paid on preferred shares | (46) | (182) | (46) | (35) | (46) | (55) |
| Cash dividends paid by subsidiaries to non-controlling interest | (14) | (47) | (12) | (13) | (1) | (21) |
| Acquisition and other costs paid | 15 | 8 | 3 | - | 5 | - |
| FCF | 85 | 3,144 | 1,289 | 754 | 1,016 | 85 |

n.m. : not meaningful

⁽A) Net debt and free cash flow are non-GAAP financial measures and net debt leverage ratio is a capital management measure. 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.

| ASSETS 789 5AC Cash quiwalents 171 225 Short-term investments 700 1,000 Short-term investments 700 1,000 Tade and other receivables 3,320 4,031 Trade and other receivables 405 443 443 Confract assets 704 633 200 633 200 633 200 633 200 633 200 633 200 633 200 633 200 633 200 633 200 633 200 600 633 200 600< | (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | March 31 2024 | December 31 2023 |
|--|---|---------------------------------------|---------------------|
| Current assets 78 9 527 5247 <th></th> <th>2024</th> <th>2023</th> | | 2024 | 2023 |
| Cash quivalents 176 25.5 Cash quivalents 171 22.5 Short-term investments 1,000 1,000 Trade and other neceivables 48 40.3 Inventory 48 48.3 Inventory 48 48.3 Contract costs 70 63.3 Prepaid expenses 274 204 Assets held for sale 75 60 Cotal current assets 700 7.89 Conclusion 72 20 Contract costs 72 20 Contract costs 72 20 Conclusion 78 78 Conclusion 78 78 Property, plant and equipment 16,77 16,60 Inapplies assets 12 3 Deferred tax assets 32 32 Investments in associates and joint ventures 3,28 2,95 Condivill 30 3,28 2,95 Condivill 30 3,28 2,95 | | | |
| Gash equivalents 171 255 50n-1 term investments 70 1,000 1 | | 789 | 547 |
| Short-term investments 3,00 1,000 Trade and other receivables 458 458 458 458 458 458 458 458 458 458 458 458 458 458 458 458 458 458 230 200 </td <td></td> <td></td> <td></td> | | | |
| Trade and other receivables 4, 931 4, 931 4, 931 1, 932 4, 931 1, 932 4, 931 1, 932 4, 931 1, 932 4, 931 1, 932 <td></td> <td></td> <td></td> | | | |
| Inventory | | | |
| Contrad assets 435 4436 633 Propale expenses 385 230 230 250 | | | |
| Contract costs 704 633 Prepate expenses 368 230 Other current assets 274 264 Assets held for sale 7,900 7,898 Non-current assets 74 779 Non-current assets 744 779 Contract costs 744 779 Property, plant and equipment 30,357 30,357 Interact assets 12,7 16,090 Deferred tax seets 12,2 20,323 Post-employment benefit assets 322 32,32 Other non-current assets 32,2 32,32 Other non-current assets 4,799 1,714 Cod assets 7,900 7,900 Coll assets 7,900 7 | | | |
| Prepaid expenses 385 230 Other current assets 55 60 Notal current assets 7,900 7,808 Non-current assets 7,900 7,808 Contract costs 744 776 Contract costs 744 776 Contract costs 744 776 Contract costs 16,700 16,600 Deferred lax assets 12,12 90 Deferred tax assets 12,2 32 Post-employment benefit assets 3,285 2,935 Other non-current assets 1,799 1,714 Cotal assets 7,500 7,900 Total assets 7,500 7,900 Total concurrent assets 8,45 9,000 Total assets 7,500 7,900 Total concurrent labilities 8,70 9,000 Total concurrent labilities 1,45 7,20 Courrent labilities 1,20 1,20 Courrent labilities 1,20 1,20 Courrent labilities | | | |
| Other current assets 274 284 Non-current assets 7,00 | | · · · · · · · · · · · · · · · · · · · | |
| Asset sheld for sale 55 6.00 Total current assets 7,900 7,800 Contract assets 272 2.22 Contract costs 744 779 Property, plant and equipment 90,357 30,352 Intangible assets 16,70 16,000 Deferred tax seets 121 9.6 Obst-employment benefit assets 3,255 2,935 Other non-current assets 1,799 1,749 Cod and one-urrent assets 1,999 1,749 Cotal anon-urrent assets 4,245 4,245 Cotal assets 4,345 4,729 Italiants 3,255 3,255 3,255 3,255 3,255 3,255 3,255 3,255 3,255 4,245 | | | |
| Total current assets 7,90 7,898 Con-current assets 272 292 Contract costs 744 7779 Property, plant and equipment 30,367 30,352 Intangible assets 16,770 6,600 Deferred tax assets in associates and joint ventures 322 323 Post-employment benefit assets 3,285 2,935 Other non-current assets 1,799 1,714 Cotal assets 7,500 4,667 6,0467 Total and current assets 7,500 7,900 Cotal assets 7,500 7,900 Cotal assets 4,452 4,729 Cotal assets 4,345 4,729 Cotal contract liabilities 3,17 811 Trade payables and other liabilities 3,17 811 Corner tax kiabilities 3,18 3,19 Octal current tax liabilities 1,10 2,18 Total current tax liabilities 3,12 3,12 Total current tax liabilities 3,2 3,2 | | | |
| Non-current asserts 272 292 Contract asserts 744 779 Contract costs 30,357 30,352 Property, plant and equipment 16,070 16,609 Deferred tax sests 121 96 Intensifying asserts 322 323 Deferred tax sests 322 323 Obst-employment benefit asserts 322 323 Obst-employment benefit asserts 326 2,935 Other on-current asserts 1,799 1,714 Goodwill 4,937 1,942 Intensities 4,042 7,267 7,190 Cortact labilities 8 4,729 7,267 7,277 7,277 < | | | |
| Contract assets 272 292 Contract osts 74 2779 Property, plant and equipment 30,357 30,352 Intangible assets 167 16,050 Defered tax assets 121 96 Investments in associates and joint ventures 3,285 2,935 Post-employment benefit assets 3,285 2,935 Other non-current assets 64,67 2,040 Total on-current assets 64,67 2,040 Total assets 7,250 7,194 Contract liabilities 817 811 Trade payables and other liabilities 817 811 Cornect liabilities 817 811 Cornect liabilities 93 910 Current tax liabilities 91 92 Obt due within one year 81 91 92 Labilities healt for sale 12,70 27 27 Total current liabilities 12,72 21,72 Total current liabilities 1,22 1,22 1,22 | | 1,000 | 7,000 |
| Contract costs 744 779 Property, plant and equipment 30,352 30,352 Intangible assets 16,770 16,609 Deferred tax assets 322 323 Intensity of the state of the | | 272 | 292 |
| Property, plant and equipment 30,357 30,357 10,809 Intangible assels 121 96 Deferred tax assels 121 98 Investments in associates and joint ventures 3,285 2,935 Post-employment benefit asselts 1,999 1,942 Other non-current asselts 10,997 10,942 Codwill 10,997 10,942 Total anon-current asselts 64,667 64,042 Total anon-current asselts 7,900 7,900 LABILITES Current liabilities 817 817 Trade payables and other liabilities 817 82 Total carrent liabilities 817 82 University asself 93 33 University asself 93 33 University asself 93 32 | | | |
| Intangible assets 16,700 16,609 Deferred tax assets 12,1 96 Investments in associates and joint ventures 322 323 Obst-employment benefit assets 1,799 1,714 Obst-employment benefit assets 1,999 1,714 Occording 64,657 64,657 64,045 Code will 1,997 1,042 Cotal assets 64,657 64,042 7,042 Intense tax including 4,245 7,256 7,042 Intense tax including 817 811 817 811 Trade payables and other liabilities 817 811 81 812 812 812 | | · · · · · · · · · · · · · · · · · · · | |
| Defered tax assets 121 96 Investments in associates and joint ventures 322 32 Post-employment benefit assets 3,285 2,935 Other non-current assets 11,799 1,714 Godwill 19,997 10,942 Incitation-current assets 64,667 7,940 LABILITIES Urrent liabilities 4,72 7,74 Trade payables and other liabilities 4,72 81 Contract liabilities 31 33 32 Universet payable 33 33 32 32 32 32 32 33 32 32 32 32 32 33 32 32 32 32 33 33 33 33 33 33 33 33 33 33 32 33 33 32 32 34 36 36 32 32 32 32 32 32 32 32 32 32 32 32 <td></td> <td></td> <td></td> | | | |
| Investments in associates and joint ventures 328 3285 2935 Che post-employment benefit assets 1,799 1,714 1,799 1,714 Coodwill 10,997 10,942 10,947 10,940 <t< td=""><td></td><td></td><td>,</td></t<> | | | , |
| Post-employment benefit assets 3,285 2,935 Other non-current assets 1,799 1,714 God will 10,997 10,942 Cotal assets 64,667 64,667 Cital assets 72,567 71,940 LABILITES Urrent labilities Urrent labilities 4,729 Tida payables and other liabilities 4,345 4,729 Contract liabilities 335 332 Dividends payable 335 332 Dividends payable 336 5,042 Labilities halidities 170 268 Debt due within one year 6,366 5,042 Labilities halidities 1,50 1,06 Von-current liabilities 2,107 208 Contract liabilities 1,227 278 Cong-term debt 31,283 31,383 Defered tax liabilities 1,227 1,278 Obst-employment benefit obligations 1,227 1,278 Ottad ino-current liabilities 3,614 3,667 | | | |
| Other non-current assets 1,799 (1),940 (2) 1,099 (2) 1,099 (2) 1,099 (2) 1,099 (2) 1,099 (2) 1,099 (2) 1,094 (2) 1, | | * | |
| Godwill 10,945 64,65 70,942 Total non-current assets 46,65 64,65 64,06 70,90 LIABLIUTES Current liabilities 8 77,90 8 7,72,90 7,72,90 7,72,90 7,72,90 7,72,90 7,72,90 7,72,90 7,72,90 7,72,90 7,72,90 7,72,90 8,72,72 8,72, | | | |
| Total assets 64,667 64,042 Total assets 75,567 71,940 LABILITES Trate payables and other liabilities 8,479 Trade payables and other liabilities 817 811 Interest payables 335 335 Dividends payable 335 335 Current tax liabilities 170 268 Debt due within one year 6,368 5,042 Liabilities held for sale 15 15 Total current liabilities 15 15 Total current liabilities 227 277 Contract liabilities 31,235 31,355 Deferred tax liabilities 31,235 31,355 Deferred tax liabilities 31,235 31,355 Description-current liabilities 31,235 31,355 Total non-current liabilities 39,276 39,276 Total incorrent liabilities 39,276 39,276 Total properties liabilities 39,276 39,276 Total query latinbutable to BCE shareholders 39,276 | | | |
| Total assets 72,567 71,940 LIABILITIES Current liabilities 4,455 4,729 Trade payables and other liabilities 817 811 Contract liabilities 335 332 Dividends payable 938 910 Current tax liabilities 170 268 Debt due within one year 6,366 5,042 Liabilities held for sale 15 15 Total current liabilities 277 277 Non-current liabilities 277 277 Long-term debt 31,283 31,135 Deferred tax liabilities 4,881 4,869 Post-employment benefit obligations 4,881 4,869 Post-employment benefit obligations 1,227 1,278 Other non-current liabilities 39,189 39,289 Total liabilities 39,189 39,269 Total consumment liabilities 20,295 51,383 Equity attributable to BCE shareholders 3,614 3,667 Common shares 20,299 | | | |
| LABBLITIES Current liabilities 4,345 4,729 Contract liabilities 817 811 Interest payable 335 332 Dividends payable 938 910 Current tax liabilities 170 268 Debt due within one year 6,386 5,042 Liabilities held for sale 15,006 12,107 Total current liabilities 15,006 12,107 Non-current liabilities 277 277 Long-term debt 31,283 31,135 Deferred tax liabilities 4,981 4,881 Post-employment benefit obligations 1,227 1,278 Long-term debt 33,135 362 Deferred tax liabilities 31,235 31,335 Total inon-current liabilities 31,237 1,278 Total inon-current liabilities 33,69 39,789 Total inon-current liabilities 32,93 376 Total inon-current liabilities 32,93 376 Equity attributable to BCE shareholder | Total assets | | 71,940 |
| Current liabilities 4,345 4,229 Contract liabilities 817 811 Interest payable 335 332 Dividends payable 938 910 Current tax liabilities 170 268 Debt due within one year 6,386 5,042 Liabilities held for sale 15 15 Total current liabilities 277 277 Non-current liabilities 277 277 Contract liabilities 277 277 Contract liabilities 31,283 31,135 Deferred tax liabilities 31,283 31,135 Deferred tax liabilities 1,227 1,278 Other non-current liabilities 39,189 39,276 Total liabilities 39,189 39,276 Total liabilities 39,189 39,276 Total liabilities 20,859 20,859 EQUITY 2000 20,859 EQUITY 2000 20,859 Common shares 20,859 20,859 <tr< td=""><td>LIABILITIES</td><td>·</td><td></td></tr<> | LIABILITIES | · | |
| Trade payables and other liabilities 4,345 4,725 Contract liabilities 817 811 Interest payable 335 332 Dividends payable 938 910 Current tax liabilities 170 268 Debt due within one year 6,386 5,042 Liabilities held for sale 15 15 Total current liabilities 12,007 277 Non-current liabilities 277 277 Contract liabilities 31,283 31,135 Deferred tax liabilities 4,981 4,689 Post-employment benefit obligations 1,227 1,278 Other non-current liabilities 39,189 39,276 Total Inon-current liabilities 20,859 20,859 Total Inon-current liabilities 3,614 3,614 Total Inon-current liabilities 3,614 3,617< | | | |
| Contract fiabilities 817 811 Interest payable 335 332 Dividends payable 938 910 Current tax liabilities 170 268 Debt due within one year 6,386 5,042 Liabilities held for sale 15 15 Total current liabilities 277 277 Non-current liabilities 277 277 Contract liabilities 31,283 31,135 Deferred tax liabilities 4,981 4,869 Post-employment benefit obligations 1,227 1,278 Other non-current liabilities 39,189 39,276 Total liabilities 39,189 39,276 Total flabilities 52,195 51,338 EQUITY 50,130 50,495 50,859 EQUITY 20,859 20,859 20,859 Contributed surplus 20,859 20,859 Contributed surplus 46 42 Deficit (5,711) (5,513 Total equity attributable to BCE shareholders | | 4.345 | 4 729 |
| Interest payable 335 332 Dividends payable 938 910 Current tax liabilities 170 268 Debt due within one year 6,366 5,042 Liabilities held for sale 15 15 15 Total current liabilities 13,006 12,107 Non-current liabilities 277 277 Contract liabilities 31,283 31,135 Deferred tax liabilities 4,981 4,869 Post-employment benefit obligations 1,227 1,278 Other non-current liabilities 1,227 1,278 Total non-current liabilities 1,241 1,777 Total lon-current liabilities 3,814 3,667 Total price destributable to BCE shareholders 3,614 3,667 Equity attributable to BCE shareholders 20,859 20,859 Common shares 20,859 20,859 Contributed surplus 46 (42) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 | | | |
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| Current tax liabilities 170 288 Debt due within one year 6,386 5,042 Liabilities held for sale 15 15 Total current liabilities 13,006 12,107 Non-current liabilities 277 277 Contract liabilities 31,283 31,135 Deferred tax liabilities 4,869 4,869 Post-employment benefit obligations 1,227 1,278 Other non-current liabilities 31,135 31,213 Total incurrent liabilities 39,276 51,383 Total liabilities 39,136 39,276 Total liabilities 39,276 51,383 EQUITY 52,195 51,383 EQUITY 52,195 51,383 EQUITY 52,195 51,383 EQUITY 52,095 20,859 Contributed to BCE shareholders 3,614 3,667 Contributed surplus 1,241 1,258 Accumulated other comprehensive income (loss) 46 (42 Deficit (5,711) | Dividends payable | | |
| Debt due within one year 6,366 5,042 Liabilities held for sale 15 15 Total current liabilities 13,006 12,107 Non-current liabilities 277 277 Contract liabilities 31,283 31,1283 31,1283 31,1283 31,1283 31,1283 31,1283 31,1283 31,1283 31,1283 31,1283 31,1283 31,281 4,869 4,869 4,869 4,869 4,869 4,869 4,869 4,869 4,869 4,869 4,869 4,869 4,97 1,277 1,278 2,77 2,77 2,77 2,77 2,77 3,87 | | | |
| Liabilities held for sale 15 15 Total current liabilities 13,006 12,007 Non-current liabilities 277 277 Contract liabilities 31,283 31,355 Deferred tax liabilities 4,981 4,884 4,886 Post-employment benefit obligations 1,227 1,278 Other non-current liabilities 1,227 1,717 Total non-current liabilities 39,189 39,276 Total liabilities 39,189 39,276 Total liabilities 3,614 3,67 Total liabilities 20,859 20,859 EQUITY 20,859 | | | |
| Total current liabilities 13,066 12,107 Non-current liabilities 277 277 Contract liabilities 31,283 31,135 Deferred tax liabilities 4,981 4,862 Post-employment benefit obligations 1,227 1,277 Other non-current liabilities 39,189 39,276 Total lon-current liabilities 52,95 51,383 EQUITY Equity attributable to BCE shareholders 3,614 3,667 Common shares 20,859 20,859 Contributed surplus 1,241 1,258 Accumulated other comprehensive income (loss) 46 (42) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 20,049 20,229 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | • | , |
| Non-current liabilities 277 277 Contract liabilities 31,283 31,3135 Deferred tax liabilities 4,981 4,669 Post-employment benefit obligations 1,227 1,278 Other non-current liabilities 1,421 1,717 Total non-current liabilities 39,189 39,276 Total liabilities 52,195 51,383 EQUITY Equity attributable to BCE shareholders 8 20,859 20,859 Common shares 20,859 20,859 20,859 Contributed surplus 1,241 1,258 Accumulated other comprehensive income (loss) 446 4(2) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 71,940 | | | |
| Contract liabilities 277 277 Long-term debt 31,283 31,135 31,283 31,135 31,283 31,283 31,283 31,283 31,283 31,283 31,283 31,283 4,869 4,869 4,869 4,869 1,227 1,278 0,278 | | 10,000 | 12,101 |
| Long-term debt 31,283 31,135 Deferred tax liabilities 4,981 4,869 Post-employment benefit obligations 1,227 1,278 Other non-current liabilities 1,421 1,717 Total non-current liabilities 39,189 39,276 Total liabilities 52,195 51,383 EQUITY Equity attributable to BCE shareholders 8,614 3,667 Common shares 20,859 20,859 Contributed surplus 1,241 1,254 Accumulated other comprehensive income (loss) 46 (42 Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | 277 | 277 |
| Deferred tax liabilities 4,981 4,869 Post-employment benefit obligations 1,227 1,278 Other non-current liabilities 1,421 1,717 Total non-current liabilities 39,189 39,276 Total liabilities 52,195 51,383 EQUITY Equity attributable to BCE shareholders 3,614 3,667 Preferred shares 20,859 20,859 Common shares 20,859 20,859 Contributed surplus 1,241 1,258 Accumulated other comprehensive income (loss) 46 (42) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | | |
| Post-employment benefit obligations 1,227 1,278 Other non-current liabilities 1,421 1,717 Total non-current liabilities 39,189 39,276 Total liabilities 52,195 51,383 EQUITY Equity attributable to BCE shareholders 3,614 3,667 Preferred shares 20,859 20,859 Common shares 20,859 20,859 Contributed surplus 1,241 1,258 Accumulated other comprehensive income (loss) 46 (42) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | Deferred tax liabilities | | |
| Other non-current liabilities 1,421 1,717 Total non-current liabilities 39,189 39,276 Total liabilities 52,195 51,383 EQUITY Equity attributable to BCE shareholders 8 8 Preferred shares 3,614 3,667 3,667 20,859 20,859 20,859 20,859 20,859 Contributed surplus 1,241 1,258 46 (42) | Post-employment benefit obligations | | |
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| Total liabilities 52,195 51,383 EQUITY Equity attributable to BCE shareholders 3,614 3,667 Preferred shares 20,859 20,859 Common shares 20,859 20,859 Contributed surplus 1,241 1,258 Accumulated other comprehensive income (loss) 46 (42) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | | |
| EQUITY Equity attributable to BCE shareholders 3,614 3,667 Preferred shares 20,859 20,859 Common shares 20,859 20,859 Contributed surplus 1,241 1,258 Accumulated other comprehensive income (loss) 46 (42) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | Total liabilities | | 51.383 |
| Equity attributable to BCE shareholders Preferred shares 3,614 3,667 Common shares 20,859 20,859 Contributed surplus 1,241 1,258 Accumulated other comprehensive income (loss) 46 (42) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 71,940 | | | 0.,000 |
| Preferred shares 3,614 3,667 Common shares 20,859 20,859 Contributed surplus 1,241 1,258 Accumulated other comprehensive income (loss) 46 (42) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | | |
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| Contributed surplus 1,241 1,258 Accumulated other comprehensive income (loss) 46 (42) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | | |
| Accumulated other comprehensive income (loss) 46 (42) Deficit (5,711) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | | |
| Deficit (5,513) (5,513) Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | | |
| Total equity attributable to BCE shareholders 20,049 20,229 Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | | |
| Non-controlling interest 323 328 Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | | |
| Total equity 20,372 20,557 Total liabilities and equity 72,567 71,940 | | | |
| Total liabilities and equity 72,567 71,940 | | | |
| · · · · · · · · · · · · · · · · · · · | | | |
| Number of common shares outstanding (millions) 912.3 912.3 | 1 7 | · · · · · · · · · · · · · · · · · · · | |
| | Number of common shares outstanding (millions) | 912.3 | 912.3 |

BCE Consolidated Cash Flow Data

| | Q1 | Q1 | |
|---|---------|-------------------|-----------|
| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | 2024 | 2023 | \$ change |
| Net earnings | 457 | 788 | (331) |
| Adjustments to reconcile net earnings to cash flows from operating activities | | | () |
| Severance, acquisition and other costs | 229 | 49 | 180 |
| Depreciation and amortization | 1,262 | 1,201 | 61 |
| Post-employment benefit plans cost | 44 | 31 | 13 |
| Net interest expense | 384 | 330 | 54 |
| Impairment of assets | 13 | 34 | (21) |
| Losses on investments | 6 | - | 6 |
| Income taxes | 166 | 270 | (104) |
| Contributions to post-employment benefit plans | (18) | (15) | (3) |
| Payments under other post-employment benefit plans | (16) | (15) | (1) |
| Severance and other costs paid | (46) | (25) | (21) |
| Interest paid | (448) | (439) | (9) |
| Income taxes paid (net of refunds) | (335) | (164) | (171) |
| Acquisition and other costs paid | (15) | (, | (15) |
| Change in contract assets | 28 | 45 | (17) |
| Change in wireless device financing plan receivables | 57 | 41 | 16 |
| Net change in operating assets and liabilities | (636) | (884) | 248 |
| Cash flows from operating activities | 1,132 | 1,247 | (115) |
| Capital expenditures | (1,002) | (1,086) | 84 |
| Cash dividends paid on preferred shares | (46) | (55) | 9 |
| Cash dividends paid by subsidiaries to non-controlling interest | (14) | (21) | 7 |
| Acquisition and other costs paid | 15 | () | 15 |
| Free cash flow | 85 | 85 | |
| Business acquisitions | (82) | (25) | (57) |
| Acquisition and other costs paid | (15) | | (15) |
| Short-term investments | 300 | - | 300 |
| Spectrum licences | (104) | (11) | (93) |
| Other investing activities | (10) | `31 [′] | (41) |
| Increase (decrease) in notes payable | 979 | (83) | 1,062 |
| Increase in securitized receivables | - | 500 | (500) |
| Issue of long-term debt | 2,191 | 1,504 | 687 |
| Repayment of long-term debt | (2,113) | (299) | (1,814) |
| Repurchase of a financial liability | | (149) | 149 |
| Issue of common shares | - | ` 10 [′] | (10) |
| Purchase of shares for settlement of share-based payments | (104) | (93) | (11) |
| Repurchase of preferred shares | (38) | (31) | (7) |
| Cash dividends paid on common shares | (883) | (839) | (44) |
| Other financing activities | (18) | (8) | (10) |
| | 103 | 507 | (404) |
| Net increase in cash | 242 | 552 | (310) |
| Cash at beginning of period | 547 | 99 | 448 |
| Cash at end of period | 789 | 651 | 138 |
| Net (decrease) increase in cash equivalents | (54) | 40 | (94) |
| Cash equivalents at beginning of period | 225 | 50 | 175 |
| Cash equivalents at end of period | 171 | 90 | 81 |

BCE Consolidated Cash Flow Data - Historical Trend

| | | TOTAL | | | | |
|--|------------|------------------|------------------|----------|--------------------|-----------|
| (In millions of Canadian dollars, except where otherwise indicated) (unaudited) | Q1 24 | 2023 | Q4 23 | Q3 23 | Q2 23 | Q1 23 |
| Net earnings | 457 | 2,327 | 435 | 707 | 397 | 788 |
| Adjustments to reconcile net earnings to cash flows from operating activities | | | | | | |
| Severance, acquisition and other costs | 229 | 200 | 41 | 10 | 100 | 49 |
| Depreciation and amortization | 1,262 | 4,918 | 1,253 | 1,232 | 1,232 | 1,201 |
| Post-employment benefit plans cost | 44 | 98 | 23 | 23 | 21 | 31 |
| Net interest expense Impairment of assets | 384 13 | 1,408 143 | 374 109 | 358 | 346 | 330 34 |
| Losses (gains) on investments | 6 | (80) | (2) | 1 | (79) | - |
| Net equity losses on investments in associates and joint ventures | - | 581 | 204 | <u>'</u> | 377 | |
| Income taxes | 166 | 996 | 210 | 243 | 273 | 270 |
| Contributions to post-employment benefit plans | (18) | (52) | (12) | (12) | (13) | (15) |
| Payments under other post-employment benefit plans | (16) | (64) | (16) | (16) | (17) | (15) |
| Severance and other costs paid | (46) | (178) | (59) | (55) | (39) | (25) |
| Interest paid | (448) | (1,486) | (326) | (4̀51)́ | (2 7 0) | (4̀39́) |
| Income taxes paid (net of refunds) | (335) | (700) | (169) | (167) | (200) | (164) |
| Acquisition and other costs paid | (15) | (8) | (3) | - | (5) | - |
| Change in contract assets | 28 | (11) | (81) | (8) | 33 | 45 |
| Change in wireless device financing plan receivables | 57 | (46) | (127) | 16 | 24 | 41 |
| Net change in operating assets and liabilities | (636) | (100) | 519 | 80 | 185 | (884) |
| Cash flows from operating activities | 1,132 | 7,946 | 2,373 | 1,961 | 2,365 | 1,247 |
| Capital expenditures | (1,002) | (4,581) | (1,029) | (1,159) | (1,307) | (1,086) |
| Cash dividends paid on preferred shares | (46) | (182) | (46) | (35) | (46) | (55) |
| Cash dividends paid by subsidiaries to non-controlling interest Acquisition and other costs paid | (14) 15 | (47) | (12) 3 | (13) | (1) 5 | (21) |
| | | | | 754 | | - |
| Free cash flow | 85 | 3,144 | 1,289 | 754 1 | 1,016 | 85 |
| Business acquisitions | (82) | (222) | (2) | | (196) | (25) |
| Business dispositions | (4.5) | 209 | - (0) | 1 | 208 | - |
| Acquisition and other costs paid | (15) | (8) | (3) | - | (5) | - |
| Short-term investments | 300 | (1,000) | (1,000) | - (2) | - | - |
| Spectrum licences | (104) | (183) | (24) | (3) | (145) | (11) |
| Other investing activities | (10) | (4) | (3) | (16) | (16) | 31 |
| Increase (decrease) in notes payable | 979 | (646) | (162) | (300) | (101) | (83) |
| (Decrease) increase in securitized receivables | - | - | - | - | (500) | 500 |
| Issue of long-term debt | 2,191 | 5,195 | 1,331 | 1,161 | 1,199 | 1,504 |
| Repayment of long-term debt | (2,113) | (1,858) | (293) | (920) | (346) | (299) |
| Repurchase of a financial liability | - | (149) | - | - | - | (149) |
| Issue of common shares | - | 18 | - | - | 8 | 10 |
| Purchase of shares for settlement of share-based payments | (104) | (223) | (44) | (44) | (42) | (93) |
| Repurchase of preferred shares | (38) | (140) | (50) | (27) | (32) | (31) |
| Cash dividends paid on common shares | (883) | (3,486) | (882) | (883) | (882) | (839) |
| Other financing activities | (18) | (24) | (4) | (5) | (7) | (8) |
| | 103 | (2,521) | (1,136) | (1,035) | (857) | 507 |
| Net increase (decrease) in cash | 242 | 448 | (22) | 119 | (201) | 552 |
| Cash at beginning of period | 547 | 99 | 5 6 9 | 450 | 651 | 99 |
| Cash at end of period | 789 | 547 – | 547 | 569 | 450 | 651 |
| Net (decrease) increase in cash equivalents | (54) | 175 | 175 | (400) | 360 | 40 |
| Cash equivalents at beginning of period | 225 | 50 | 50 | 450 | 90 | 50 |
| Cash equivalents at end of period | <u> </u> | 225 | 225 | 50 | 450 | 90 |
| The state of the s | | | | | | |

(1) Our results are reported in two segments: Bell Communication and Technology Services (Bell CTS) and Bell Media.

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 and other financial measures, provide readers with a better understanding of how management assesses BCE's performance.

National Instrument 52-112, Non-GAAP and Other Financial Measures Disclosure (NI 52-112), prescribes disclosure requirements that apply to the following specified financial measures:

- 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 reflective of our on-going operating results and provide readers with an 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. Reconciliations to the most directly comparable IFRS financial measures on a consolidated basis 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 on a consolidated basis.

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 on a consolidated basis.

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, cash equivalents and short-term investments, 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, cash equivalents and short-term investments. 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 on a consolidated basis.

(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 provides reconciliations of net earnings to adjusted EBITDA on a consolidated basis.

| | Q1 2024 | Total 2023 | Q4 2023 | Q3 2023 | Q2 2023 | Q1 2023 |
|---|---------|------------|---------|---------|---------|---------|
| Net earnings | 457 | 2,327 | 435 | 707 | 397 | 788 |
| Severance, acquisition and other costs | 229 | 200 | 41 | 10 | 100 | 49 |
| Depreciation | 946 | 3,745 | 954 | 937 | 936 | 918 |
| Amortization | 316 | 1,173 | 299 | 295 | 296 | 283 |
| Finance costs | | | | | | |
| Interest expense | 416 | 1,475 | 399 | 373 | 359 | 344 |
| Net return on post-employment benefit plans | (16) | (108) | (27) | (27) | (27) | (27) |
| Impairment of assets | 13 | 143 | 109 | - | - | 34 |
| Other expense (income) | 38 | 466 | 147 | 129 | 311 | (121) |
| Income taxes | 166 | 996 | 210 | 243 | 273 | 270 |
| Adjusted EBITDA | 2,565 | 10,417 | 2,567 | 2,667 | 2,645 | 2,538 |

(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.

(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 defined as Bell CTS wireless external services revenues divided by the average mobile phone subscriber base for the specified period, expressed as a dollar unit per month.

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⁽¹⁾ consists of an active revenue-generating unit with access to our services, including retail Internet, 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 and IPTV subscribers have access to stand-alone services, and are primarily represented by a dwelling unit or a business location
- Retail residential NAS subscribers are based on a line count and are represented by a unique telephone number

⁽¹⁾ As of Q1 2024, we are no longer reporting retail satellite TV subscribers as this no longer represents a significant proportion of our revenues. As a result, satellite TV subscribers have been removed from our retail TV subscriber base, and we now report exclusively retail IPTV subscribers.