Q2 2023 Results Conference Call

August 3, 2023

Bell

Safe harbour notice

Certain statements made in this presentation are forward-looking statements. These forward-looking statements include, but are not limited to, statements relating to BCE’s financial guidance (including revenue, adjusted EBITDA, capital intensity, adjusted EPS and free cash flow), BCE’s 2023 annualized common share dividend, BCE’s planned capital expenditures for the second half of 2023, BCE’s network deployment plans and anticipated capital expenditures as well as the benefits expected to result therefrom, the expectation of stronger BCE adjusted EBITDA and free cash flow trajectories in the second half of 2023, BCE’s business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. A statement we make is forward-looking when it uses what we know and expect today to make a statement about the future. Forward-looking statements are typically identified by the words *assumption*, *goal*, *guidance*, *objective*, *outlook*, *project*, *strategy*, *target, commitment* and other similar expressions or future or conditional verbs such as *aim*, *anticipate*, *believe*, *could*, *expect*, *intend*, *may*, *plan*, *seek*, *should*, *strive* and *will*. All such forward-looking statements are made pursuant to the ‘safe harbour’ provisions of applicable Canadian securities laws and of the United States *Private Securities Litigation Reform Act of 1995*.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements. These statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. For a description of such assumptions and risks, please consult BCE’s 2022 Annual MD&A dated March 2, 2023, as updated in BCE’s 2023 First and Second Quarter MD&As dated May 3, 2023 and August 2, 2023, respectively, and BCE’s news release dated August 3, 2023 announcing its financial results for the second quarter of 2023, all filed with the Canadian provincial securities regulatory authorities (available at sedarplus.ca) and with the U.S. Securities and Exchange Commission (available at sec.gov), and which are also available on BCE's website at BCE.ca.

The forward-looking statements contained in this presentation describe our expectations at August 3, 2023 and, accordingly, are subject to change after such date. Except as may be required by applicable securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this presentation, whether as a result of new information, future events or otherwise.

Q2 highlights & progress on strategic imperatives

Financial performance

- 3.5% revenue growth drove 2.1% higher adjusted EBITDA[1]; net earnings down 39.3% due to a non-cash loss on BCE's share of an obligation to repurchase at fair value the minority interest in one of BCE's joint venture equity investments
- Improved adjusted EBITDA trajectory as profiled in quarterly budget for 2023

Capital acceleration to build the best networks

- On track with 2023 plan to deliver approx. 650K new direct fibre locations, mobile 5G national coverage to 85% of the population and 5G+ on 3.5 GHz spectrum to 46% of Canadians[2]
- Broadest Multi-Gig footprint with 3 Gbps+ symmetrical speeds available in over 5M locations
- Bell mobile, fibre and Wi-Fi ranked as Canada's fastest[3]

High-value wireless subscribers

- Total mobile phone and connected device net additions of 205,076, up 85.7% y/y
- Best Q2 mobile phone postpaid net additions in 18 years
- Wireless service revenue up 4.4% y/y
- Launched 5G service with unlimited usage plans on Virgin Plus on July 25th

(1) Adjusted EBITDA is a total of segment measures. Refer to section *Total of segments measures* in the Appendix to this document for more information on this measure

(2) 71% of addressable population (addressable population excludes population impacted by 5G restrictions near airports and areas where 3.5 GHz spectrum is not yet available due to timing)

(3) Mobile: Ookla's Q2 2023 Network Performance Report; Internet/Wi-Fi: Ookla's Q1-Q2 Speedtest Awards report

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Q2 highlights & progress on strategic imperatives (cont'd)

Broadband growth & residential market share

- **Highest Q2 retail Internet net additions in 16 years**
- **52,148 retail FTTH Internet net additions, up 38.2% y/y**
- **7% residential Internet revenue growth**

Digital-first media strategy

- **Digital revenue[(1)] up 20% y/y**
- **Innovative advertising products and media buying technology unveiled at June Upfront**
  - Ad-supported tiers on Crave launched July 25th
  - 1st Canadian media company that will offer Addressable TV on linear channels through a BDU
  - Expanded inventory to Bell DSP, new attribution capabilities and upgrades to SAM TV sales tool

Champion customer experience

- **Innovative Bell tools (Move Valet, Self-Install, Manage Your Appointment) support successful July Move period**
- **MyBell and Bell mobile apps most-awarded and highest-rated telco apps in Canada[(2)]**
- **Cellular and Internet CPI down 14.7% and 3.2% respectively vs. overall CPI increase of 2.8%[(3)]**

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

(2) Visit Bell.ca for more information

(3) Statistics Canada Consumer Price Index – June 2023 (06/01/2022 to 06/01/2023)

Q2 results highlight our consistent strong execution and continued momentum, underscoring Bell's stability, resiliency and strength of our leading advanced broadband networks and services

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Q2 operating metrics

Wireless

111,282
Postpaid net adds
Up 33.8% y/y
- Mobile phone gross adds up 30.4%

47%
Postpaid subscribers with 5G-enabled devices
Up 17 pts y/y

$59.16
Blended ARPU[1]
Stable y/y

79,537
Mobile connected device net adds
Up 79.9K y/y

Wireline

24,934
Retail Internet net adds
Up 10.2% y/y
- Retail gross additions up 19% y/y

52,148
FTTH Internet net adds
Up 38.2% y/y
- ~70% of new activations on Gigabit+

11,506
Retail IPTV net adds
Up 7.7K y/y
- 25,910 Satellite net losses, up 10.5K

49,608
Retail residential NAS net losses
Improved 3.1K y/y

Media

20%
Digital revenue growth
- 33% of total media revenues, up 6 pts

~3.2M
Crave subscribers
Up 5% y/y
- 27% growth in DTC subscribers

English TV
CTV #1 network[2]
- Ahead of closest competitor by ~30%[3]
- 2023 Formula 1 Canadian Grand Prix most-watched F1 race on record[4]

French TV
#1 Entertainment Specialty[5]
- Noovo: full-day audiences up 17%, driving a 5-point market share gain[6]
- RDS: #1 non-news specialty channel[7]

(1) Effective Q1 2023, as a result of the segment reporting changes impacting intersegment eliminations, ARPU has been updated and is defined as Bell CTS wireless external services revenues (previously wireless operating service revenues) divided by the average mobile phone subscriber base for the specified period, expressed as a dollar unit per month.

(2) CTV: Numeris, P2+ Total Canada, Primetime, Full Broadcast Season
(3) CTV: Numeris, P2+ and A25-54, Total Canada, Spring 2023
(4) TSN/CTV/RDS/Noovo: Numeris, P2+, Total Canada

(5) Numeris, A25-54, French Quebec, Full Day, Q2 2023, Rank among French Entertainment Specialty channels
(6) Noovo: Numeris, A25-54, French Quebec, Full Day, Q2 2023 vs. Q2 2022
(7) RDS: Numeris, P2+, French Quebec, Q2 2023, Rank among French Specialty Channels & Pay

Strong Q2 subscriber metrics across all Bell growth services

Financial Results

Consolidated financial results

($M) except per share data	Q2'23	Y/Y
Revenue	**6,066**	**3.5%**
Service	5,303	1.3%
Product	763	21.5%
Adjusted EBITDA	**2,645**	**2.1%**
Margin[1]	43.6%	(0.6 pts)
Net earnings	**397**	**(39.3%)**
Statutory EPS	**0.37**	**(43.9%)**
Adjusted EPS[2]	**0.79**	**(9.2%)**
Capital expenditures (capex)	**1,307**	**(7.2%)**
Capital Intensity[3]	21.5%	(0.7 pts)
Cash flows from operating activities	**2,365**	**(8.9%)**
Free cash flow (FCF)[2]	**1,016**	**(23.8%)**

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

(2) Adjusted EPS is a non-GAAP ratio and free cash flow (FCF) is a non-GAAP financial measure. Refer to section *Non-GAAP ratios* and section *Non-GAAP financial measures* in the Appendix to this document for more information on these measures.

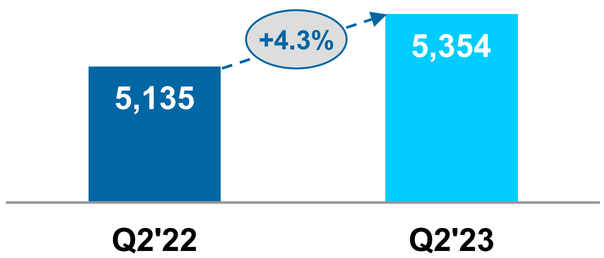
(3) Capital intensity is defined as capital expenditures divided by operating revenues.

- **3.5% revenue growth delivered 2.1% y/y increase in adjusted EBITDA**
  - Improved service revenue trajectory vs. Q1'23
- **Net earnings and statutory EPS down y/y, due mainly to higher other expense**
  - $377M non-cash loss recorded in Q2'23 on BCE's share of an obligation to repurchase at fair value the minority interest in a joint venture equity investment
- **Adjusted EPS down 9.2% on higher y/y interest and depreciation & amortization expense**
- **Cash flows from operating activities and FCF down y/y, reflecting the timing of working capital and cash tax instalments, and higher interest paid**
- **Higher y/y capex due to timing of planned spending for FY2023**
  - $600M+ favourable YoY swing expected in 2H'23

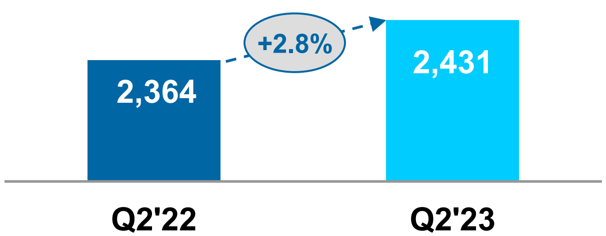
Stronger adjusted EBITDA and FCF trajectories expected in 2H'23, supporting FY2023 guidance targets

Bell Communication & Technology Services

Revenue ($M)



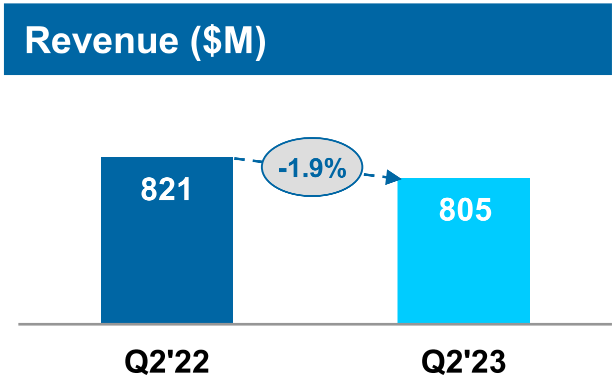
Adjusted EBITDA ($M)

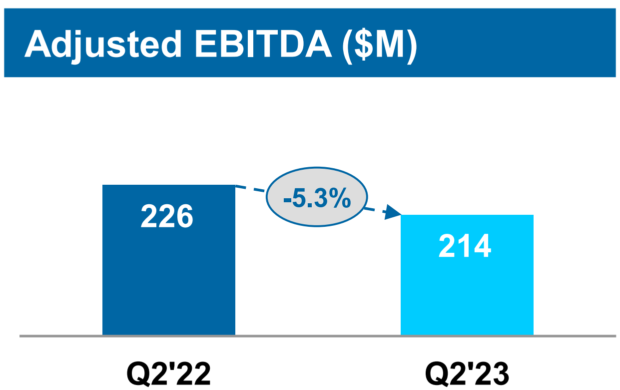


- **1.9% total service revenue growth**
  - Residential Internet up 7%
  - Wireless up 4.4% on strong customer volume growth
  - Improving business wireline performance trajectory
- **Product revenue up 21.5%, driven by higher business data equipment sales and increased sales of higher-value mobile phones**
- **Adjusted EBITDA up 2.8%**

In line with plan, stronger adjusted EBITDA growth delivered in Q2

Bell Media





- **Advertising revenue down 9.0%, due mainly to ongoing ad recession that is affecting advertiser demand and spending across most media platforms**
  - Digital advertising revenue grew 19% y/y
- **Subscriber revenue up 3.9% on strong Crave and sports DTC streaming growth**
- **Adjusted EBITDA down 5.3%**
- **Right-sizing cost structure and asset portfolio in light of current unfavourable economic and broadcasting regulatory environments**

Managing unfavourable economic conditions with leading media platforms and content, execution of our digital-first strategy and cost management focus

Balance sheet & liquidity update

Available liquidity[1]

$4.4B

incl. $450M in cash

*At June 30, 2023

Net debt leverage ratio[1]

3.46x

*At June 30, 2023

Solvency ratio[2]

~118%

*Aggregate of BCE DB plans at June 30, 2023

- **$4.4B total available liquidity at end of Q2**
  - US$850M public debt offering in May 2023
- **Lowest net debt leverage ratio among national peers at 3.46x**
  - No remaining required refinancing requirements for 2023
  - Weighted average annual after-tax cost of public debt of 2.96% with average term to maturity of 12.4 years
- **Strong pension solvency surplus of ~$3.5B**
  - Allows for monetization of full contribution holiday
- **Maintaining leadership in ESG financing structures with inaugural Sustainability-Linked Derivatives**

(1) Available liquidity is a non-GAAP financial measure and net debt leverage ratio is a capital management measure. Refer to section *Non-GAAP financial measures* and section *Capital management measures* in the Appendix to this document for more information on these measures.

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

Strong financial position supports strategic priorities for 2023 and provides good financial flexibility in current operating environment

Financial targets for 2023

BCE	2022	2023E	YTD Q2 2023
Revenue growth	3.1%	1% to 5%	3.5%
Adjusted EBITDA growth	3.1%	2% to 5%	0.2%
Capital intensity	21.2%	19% to 20%	19.7%
Adjusted EPS growth(1)	5.0%	(3%) to (7%)	(6.8%)
Free cash flow growth(2)	2.9%	2% to 10%	(46.3%)
Annual common share dividend(3)	$3.68	$3.87	$3.87

(1) For 2023, we expect lower tax adjustments, higher depreciation and amortization expense and increased interest expense to drive lower adjusted EPS

(2) For 2023, we expect growth in adjusted EBITDA, a reduction in contributions to post-employment benefit plans and payments under other post-employment benefit plans, and lower capital expenditures will drive higher free cash flow

(3) Increase to $3.87 per share from $3.68 per share effective with Q1 2023 dividend

Reconfirming all 2023 financial guidance targets

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Appendix

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

Non-GAAP financial measures

Adjusted net earnings

Adjusted net earnings is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 8.1, *Non-GAAP financial measures – Adjusted net earnings*, of BCE's 2023 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to net earnings attributable to common shareholders, being the most directly comparable IFRS financial measure.

Available liquidity

Available liquidity is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 8.1, *Non-GAAP financial measures – Available liquidity*, of BCE's 2023 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to cash, being the most directly comparable IFRS financial measure.

Free cash flow

Free cash flow is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 8.1, *Non-GAAP financial measures – Free cash flow and excess free cash flow*, of BCE's 2023 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to cash flows from operating activities, being the most directly comparable IFRS financial measure.

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

Non-GAAP financial measures (cont'd)

Net debt

Net debt is a non-GAAP financial measure and it does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other issuers. Refer to section 8.1, *Non-GAAP financial measures – Net debt*, of BCE's 2023 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to long-term debt, being the most directly comparable IFRS financial measure.

Non-GAAP ratios

Adjusted EPS

Adjusted EPS is a non-GAAP ratio and it 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, refer to section *Non-GAAP financial measures* above. Refer to section 8.2, *Non-GAAP ratios – Adjusted EPS*, of BCE's 2023 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning adjusted EPS.

Total of segments measures

Adjusted EBITDA

Adjusted EBITDA is a total of segments measure. Refer to section 8.3, *Total of segments measures – Adjusted EBITDA*, of BCE's 2023 Second Quarter MD&A, which is incorporated by reference herein, for more information concerning this measure, including a reconciliation to net earnings, being the most directly comparable IFRS financial measure.

Capital management measures

Net debt leverage ratio

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