



August 8, 2024

For immediate release

QUEBECOR INC. REPORTS CONSOLIDATED RESULTS FOR SECOND QUARTER 2024

Montréal, Québec - Quebecor Inc. ("Quebecor" or "the Corporation") today reported its consolidated financial results for the second quarter of 2024.

Second quarter 2024 highlights

- In the second quarter of 2024, Quebecor recorded revenues of \$1.39 billion, down \$11.6 million (-0.8%), adjusted EBITDA¹ of \$624.9 million, up \$19.7 million (3.3%) and adjusted cash flows from operations² of \$449.7 million, down \$5.6 million (-1.2%) compared with the same period of 2023.
- The Telecommunications segment reported a \$14.3 million (-1.2%) decrease in revenues, stable adjusted EBITDA, and a \$15.7 million (-3.4%) decrease in adjusted cash flow from operations, which reflects sustained investment in the Canada-wide expansion plan.
- There was a net increase of 66,200 revenue-generating units ("RGUs")³ (0.9%) in the second quarter of 2024, including 93,500 connections (2.4%) to the mobile telephony service.
- TVA Group Inc. ("TVA Group") recorded a \$5.2 million (3.7%) increase in revenues and a \$17.0 million favourable variance in adjusted EBITDA compared with the second quarter of 2023, due in part to an agreement on carriage fees for the LCN specialty channel, which gave rise to a \$10.2 million favourable retroactive adjustment.
- The Sports and Entertainment segment's revenues decreased by \$3.4 million (-7.0%) and its adjusted EBITDA by \$2.0 million in the second quarter of 2024.
- Quebecor's consolidated net income attributable to shareholders: \$207.6 million (\$0.90 per basic share), up \$33.5 million (\$0.15 per basic share) or 19.2%.
- Adjusted income from operating activities:⁴ \$205.1 million (\$0.89 per basic share), up \$22.8 million (\$0.10 per basic share) or 12.5%.
- In the second quarter of 2024, Fizz and Freedom announced the expansion of their service areas in several regions of Canada, including Manitoba, through agreements reached under the Canadian Radio-television and Telecommunications Commission ("CRTC")'s Mobile Virtual Network Operator ("MVNO") regime. This expansion continued on July 23, 2024, when Freedom announced the addition of some 50 cities and communities in Alberta and British Columbia to its service area.
- On May 7, 2024, Freedom Mobile Inc. ("Freedom") announced the phased roll-out of its affordable new wireline Internet and TV services, Freedom Home Internet and Freedom TV, becoming a true multi-service player and positioning itself to address a new customer segment seeking bundled offers.
- On April 10, 2024, Videotron announced that it would help improve wireless coverage in outlying regions of Québec by installing at least 37 new cell towers in Abitibi-Témiscamingue and the Laurentians in partnership with the Québec government.
- Both Videotron and Freedom performed very well in the mid-year report released by the Commission for Complaints for Telecom-television Services (CCTS) on April 25, 2024. Videotron's and Freedom's outstanding customer service and their determination to resolve issues promptly are reflected in this report. While the volume of complaints logged by CCTS about the telecom industry as a whole rose sharply by 43.1%, Videotron stood out from the other major players with a significant drop of

¹ See "Adjusted EBITDA" under "Definitions."

² See "Adjusted cash flows from operations" under "Definitions."

³ See "Key performance indicator" under "Definitions."

⁴ See "Adjusted income from operating activities" under "Definitions."

11.4%, while Freedom saw its percentage of complaints decrease from 6.5% to 4.7% compared to the industry total volume of complaints.

- On June 26, 2024, Event Management Gestev Inc. (“Gestev”) acquired Evenma, a company that manages popular and corporate events including the renowned Festivent and Festibières festivals. This acquisition is an important step in Gestev’s expansion, strengthening its leadership position in the events market.
- On May 6, 2024, S&P Global Ratings upgraded Videotron’s unsecured debt from BB+ to BBB- with stable outlook. On May 30, 2024, Moody’s Ratings upgraded Videotron’s unsecured debt from Ba2 to Baa3 with stable outlook. On June 13, 2024, following these new ratings, all liens on Videotron’s assets granted to bank lenders were terminated and the related debt instruments (including derivative financial instruments) are now unsecured.
- On June 21, 2024, Videotron issued \$600.0 million aggregate principal amount of Senior Notes bearing interest at 4.650% and maturing on July 15, 2029, and \$400.0 million aggregate principal amount of Senior Notes bearing interest at 5.000% and maturing on July 15, 2034, for total net proceeds of \$992.6 million.
- On June 17, 2024, Videotron redeemed at maturity its Senior Notes in aggregate principal amount of US\$600.0 million, bearing interest at 5.375%, and unwound the related hedging contracts for a total cash consideration of \$662.3 million.
- On June 25, 2024, Quebecor redeemed all of its outstanding 4.0% convertible debentures in the aggregate principal amount of \$150.0 million. Pursuant to the terms of the debentures, the Corporation elected to settle the redemption in shares and consequently issued and delivered 5,161,237 Class B Subordinate Voting Shares (“Class B Shares”) to the holders.

Comments by Pierre Karl Péladeau, President and Chief Executive Officer of Quebecor

Barely one year after Videotron acquired Freedom in April 2023, Quebecor proudly announced that it has fulfilled all of the nine undertakings it made to Innovation, Science and Economic Development Canada (ISED) and to Canadians. In the space of a year, we have succeeded in promoting genuine competition in Canada’s telecommunications industry and driving down wireless prices for the benefit of all Canadians. We have also delivered on our promise to extend Freedom and Fizz services to Manitoba and several other Canadian regions through MVNO agreements. Together, Videotron, Fizz and Freedom now reach more than 32 million Canadians, or approximately 80% of Canada’s population.

Driven by our determination to continue disrupting the Canadian wireless market and enhancing the customer experience, we recently announced that all Freedom monthly plans will now include access to the 5G network and roaming services in the U.S. and Mexico. Freedom continued playing in the multi-service space by rolling out its new wireline Internet and television services, Freedom Home Internet and Freedom TV, to address a customer segment seeking affordable bundled services.

With the expansion of its service area and the diversification of its range of competitively priced products, our Telecommunications segment has grown its mobility customer base by 308,500 lines (8.5%) over the past 12 months.

To continue building out our 5G network across Canada, we need an MVNO regulatory regime that allows us to fully play our role as the fourth national carrier and to compete on a level playing field with the Big 3, which are currently engaging in what we believe to be anti-competitive practices. Since we began our Canada-wide expansion, we have amply demonstrated the benefits of healthy competition for consumers across the country. If Canadians are to enjoy access to innovative wireless services at better prices, regulators must act promptly to introduce appropriate policies and rates that reflect current market conditions.

In an environment that remains highly competitive, Quebecor posted a slight 0.8% decline in consolidated revenues, a 3.3% increase in adjusted EBITDA, reflecting continuing operational rigour, and a 12.5% increase in adjusted income from operating activities in the second quarter of 2024. With more than \$2.1 billion in available liquidity, Quebecor enjoys optimal financial flexibility and remains very strongly positioned to execute on its cross-Canada growth plan.

Videotron’s excellent reputation on financial markets was reinforced by investment-grade ratings from S&P Global Ratings and Moody’s Ratings. Our successful inaugural issuance of investment-grade Senior Notes in the aggregate amount of \$1.0 billion was an important step in reducing our borrowing costs.

In the second quarter of 2024, TVA Group recorded a favorable variance of \$17.0 million in its adjusted EBITDA, mainly due to a \$10.2 million retroactive adjustment to LCN carriage fees and the return of major foreign productions to MELS’ studios.

The television business continued to suffer from declining advertising revenues and the major challenges facing the entire media industry. Excluding the one-time retroactive adjustment to carriage fees, adjusted EBITDA from television activities was negative. We continue our sustained efforts to obtain fair market value for all our specialty channels. We are also counting on the upcoming CRTC arbitration decision on carriage fees for TVA Sports to ensure that we receive fair value from Bell TV, which we have been demanding for years.

Despite these challenges, savings from the reorganization initiatives announced last year are beginning to materialize. At the same time, TVA Group held its place at the top of the Québec ratings thanks to its strong programming lineup. It maintained its audience domination in the second quarter of 2024, increasing its market share to 42.5%. The TVA Sports channel posted an exceptional 1.0-point increase in market share, due in part to its broadcasts of the National Hockey League (NHL) playoffs and Euro 2024.

Finally, we remain firmly committed to continuing our expansion and disciplined execution of our strategies in order to deliver an unrivalled customer experience, a wider range of products and ever more affordable options to growing numbers of Canadians. We will maintain our solid track record and superior operating performance while exercising rigorous financial discipline to create value for all our stakeholders.

Non-IFRS financial measures

The Corporation uses financial measures not standardized under International Financial Reporting Standards (“IFRS”), such as adjusted EBITDA, adjusted income from operating activities, adjusted cash flows from operations, free cash flows from operating activities and consolidated net debt leverage ratio, and key performance indicators, including RGUs. Definitions of the non-IFRS measures and key performance indicator used by the Corporation in this press release are provided in the “Definitions” section.

Financial table

Table 1
Consolidated summary of income, cash flows and balance sheet
(in millions of Canadian dollars, except per basic share data)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Income				
Revenues:				
Telecommunications	\$ 1,186.9	\$ 1,201.2	\$ 2,366.4	\$ 2,126.2
Media	184.4	180.3	353.2	351.1
Sports and Entertainment	45.4	48.8	92.1	97.3
Inter-segment	(29.8)	(31.8)	(62.0)	(60.5)
	1,386.9	1,398.5	2,749.7	2,514.1
Adjusted EBITDA (negative adjusted EBITDA):				
Telecommunications	608.1	607.6	1,183.6	1,081.8
Media	18.9	(0.5)	2.2	(26.9)
Sports and Entertainment	1.0	3.0	4.9	6.4
Head Office	(3.1)	(4.9)	(6.3)	(13.3)
	624.9	605.2	1,184.4	1,048.0
Depreciation and amortization	(237.6)	(250.6)	(473.8)	(439.1)
Financial expenses	(108.1)	(113.7)	(217.0)	(191.6)
Gain (loss) on valuation and translation of financial instruments	5.7	1.6	15.5	(9.7)
Restructuring, acquisition costs and other	(7.0)	(13.3)	(9.2)	(18.9)
Income taxes	(71.3)	(57.9)	(125.7)	(103.9)
Net income	\$ 206.6	\$ 171.3	\$ 374.2	\$ 284.8
Net income attributable to shareholders	207.6	174.1	380.8	295.0
Adjusted income from operating activities	205.1	182.3	368.2	318.3
Per basic share:				
Net income attributable to shareholders	0.90	0.75	1.65	1.28
Adjusted income from operating activities	0.89	0.79	1.60	1.38

Table 1 (continued)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Capital expenditures:				
Telecommunications	\$ 162.1	\$ 145.9	\$ 295.0	\$ 240.6
Media	11.0	2.2	17.2	3.2
Sports and Entertainment	1.9	1.7	3.3	2.6
Head Office	0.2	0.1	0.2	0.3
	175.2	149.9	315.7	246.7
Acquisition of spectrum licenses	239.1	–	298.9	9.9
Cash flows:				
Adjusted cash flows from operations:				
Telecommunications	446.0	461.7	888.6	841.2
Media	7.9	(2.7)	(15.0)	(30.1)
Sports and Entertainment	(0.9)	1.3	1.6	3.8
Head Office	(3.3)	(5.0)	(6.5)	(13.6)
	449.7	455.3	868.7	801.3
Free cash flows from operating activities ¹	220.8	222.9	443.4	369.9
Cash flows provided by operating activities	391.6	358.4	780.4	630.3
			June 30, 2024	Dec. 31, 2023
Balance sheet				
Cash and cash equivalents			\$ 8.1	\$ 11.1
Working capital			27.5	(1,125.6)
Net assets related to derivative financial instruments			76.9	110.8
Total assets			12,879.3	12,741.3
Total long-term debt (including current portion)			7,757.2	7,668.2
Lease liabilities (current and long term)			373.1	376.2
Convertible debentures, including embedded derivatives			–	165.0
Equity attributable to shareholders			2,118.7	1,726.9
Equity			2,226.6	1,837.7
Consolidated net debt leverage ratio¹			3.39x	3.39x

¹ See "Non-IFRS financial measures."

2024/2023 second quarter comparison

Revenues: \$1.39 billion, an \$11.6 million (-0.8%) decrease.

- Revenues decreased in Telecommunications (\$14.3 million or -1.2% of segment revenues) and in Sports and Entertainment (\$3.4 million or -7.0%).
- Revenues increased in Media (\$4.1 million or 2.3%).

Adjusted EBITDA: \$624.9 million, a \$19.7 million (3.3%) increase.

- There was a favourable variance in the Media segment (\$19.4 million), including the \$10.2 million favourable retroactive impact of an agreement on the fees for the LCN specialty channel combined with higher volume in film production and audiovisual services, and a favourable variance at Head Office (\$1.8 million).
- Adjusted EBITDA was stable in the Telecommunications segment.
- The change in the fair value of Quebecor stock options and stock-price-based share units resulted in a \$1.7 million favourable variance in the Corporation's stock-based compensation charge in the second quarter of 2024 compared with the same period of 2023.

Net income attributable to shareholders: \$207.6 million (\$0.90 per basic share) in the second quarter of 2024, compared with \$174.1 million (\$0.75 per basic share) in the same period of 2023, an increase of \$33.5 million (\$0.15 per basic share) or 19.2%.

- The favourable variances were:
 - \$19.7 million increase in adjusted EBITDA;
 - \$13.0 million decrease in the depreciation and amortization charge;
 - \$6.3 million decrease in the charge for restructuring, acquisition costs and other;
 - \$5.6 million decrease related to financial expenses;
 - \$4.1 million favourable variance in gains and losses on valuation and translation of financial instruments, including \$3.8 million without any tax consequences.
- The unfavourable variance was mainly due to:
 - \$13.4 million increase in the income tax expense.

Adjusted income from operating activities: \$205.1 million (\$0.89 per basic share) in the second quarter of 2024, compared with \$182.3 million (\$0.79 per basic share) in the same period of 2023, an increase of \$22.8 million (\$0.10 per basic share) or 12.5%.

Adjusted cash flows from operations: \$449.7 million, a \$5.6 million (-1.2%) decrease in the second quarter of 2024 due to the \$25.3 million increase in capital expenditures, partially offset by a \$19.7 million increase in adjusted EBITDA.

Cash flows provided by operating activities: \$391.6 million, a \$33.2 million (9.3%) increase in the second quarter of 2024 due primarily to the increase in adjusted EBITDA, the favourable net change in non-cash balances related to operating activities and the decrease in the cash portion of financial expenses, partially offset by the increase in current income taxes.

2024/2023 year-to-date comparison

Revenues: \$2.75 billion, a \$235.6 million (9.4%) increase.

- Revenues increased in Telecommunications (\$240.2 million or 11.3% of segment revenues), due primarily to the impact of the Freedom acquisition, and in Media (\$2.1 million or 0.6%).
- Revenues decreased in Sports and Entertainment (\$5.2 million or -5.3%).

Adjusted EBITDA: \$1.18 billion, a \$136.4 million (13.0%) increase.

- Adjusted EBITDA increased in Telecommunications (\$101.8 million or 9.4% of segment adjusted EBITDA), including Freedom's contribution. There were favourable variances in Media (\$29.1 million), due to the same factors as those noted above in the 2024/2023 second-quarter comparison, and at Head Office (\$7.0 million), due primarily to a decrease in the stock-based compensation charge.
- Adjusted EBITDA decreased in Sports and Entertainment (\$1.5 million or -23.4%).
- The change in the fair value of Quebecor stock options and stock-price-based share units resulted in a \$10.5 million favourable variance in the Corporation's stock-based compensation charge in the first half of 2024 compared with the same period of 2023.

Net income attributable to shareholders: \$380.8 million (\$1.65 per basic share) in the first half of 2024, compared with \$295.0 million (\$1.28 per basic share) in the same period of 2023, an increase of \$85.8 million (\$0.37 per basic share) or 29.1%.

- The main favourable variances were:
 - \$136.4 million increase in adjusted EBITDA;
 - \$25.2 million favourable variance in gains and losses on valuation and translation of financial instruments, without any tax consequences;
 - \$9.7 million favourable variance in the charge for restructuring, acquisition costs and other.
- The main unfavourable variances were:
 - \$34.7 million increase in the depreciation and amortization charge;
 - \$25.4 million increase related to financial expenses;
 - \$21.8 million increase in the income tax expense.

Adjusted income from operating activities: \$368.2 million (\$1.60 per basic share) in the first half of 2024, compared with \$318.3 million (\$1.38 per basic share) in the same period of 2023, an increase of \$49.9 million (\$0.22 per basic share) or 15.7%.

Adjusted cash flows from operations: \$868.7 million, a \$67.4 million (8.4%) increase due to the \$136.4 million increase in adjusted EBITDA, partially offset by a \$69.0 million increase in capital expenditures.

Cash flows provided by operating activities: \$780.4 million, a \$150.1 million (23.8%) increase due primarily to the increase in adjusted EBITDA, the favourable net change in non-cash balances related to operating activities and the decrease in the cash portion of restructuring, acquisition costs and other, partially offset by the increases in the cash portion of financial expenses and in current income taxes.

Financing activities

- On June 25, 2024, the Corporation redeemed all of its outstanding 4.0% convertible debentures in the aggregate principal amount of \$150.0 million. Pursuant to the terms of the debentures, the Corporation elected to settle the redemption in shares and consequently issued and delivered 5,161,237 Class B Shares to the holders.
- On June 21, 2024, Videotron issued \$600.0 million aggregate principal amount of Senior Notes bearing interest at 4.650% and maturing on July 15, 2029, and \$400.0 million aggregate principal amount of Senior Notes bearing interest at 5.000% and maturing on July 15, 2034, for total net proceeds of \$992.6 million, net of the \$7.4 million related to the discount at issuance and financing costs. The proceeds were used to repay US\$600.0 million aggregate principal amount of Senior Notes on June 17, 2024 and to reduce drawings on its revolving bank credit facility.
- On June 17, 2024, Videotron redeemed at maturity its Senior Notes in aggregate principal amount of US\$600.0 million, bearing interest at 5.375%, and unwound the related hedging contracts for a total cash consideration of \$662.3 million.
- On June 13, 2024, Videotron amended its term credit facility by extending the maturity of the first tranche of \$700.0 million from October 2024 to October 2025 and transitioning to the Canadian Overnight Repo Rate Average (CORRA).
- On June 13, 2024, following the upgrading of Videotron's credit ratings in May 2024, all liens on Videotron's assets granted to bank lenders were terminated and the related debt instruments (including derivative financial instruments) are now unsecured.
- On May 6, 2024, S&P Global Ratings upgraded Videotron's unsecured debt from BB+ to BBB- with stable outlook. On May 30, 2024, Moody's Ratings upgraded Videotron's unsecured debt from Ba2 to Baa3 with stable outlook.

Capital stock

Normal course issuer bid

On August 7, 2024, the Board of Directors of the Corporation authorized a normal course issuer bid for a maximum of 1,000,000 Class A Multiple Voting Shares ("Class A Shares") representing approximately 1.3% of issued and outstanding Class A Shares, and for a maximum of 5,000,000 Class B Shares representing approximately 3.2% of issued and outstanding Class B Shares as of August 1, 2024. The purchases can be made from August 15, 2024 to August 14, 2025, at prevailing market prices on the open market through the facilities of the Toronto Stock Exchange ("TSX") or other alternative trading systems in Canada. All shares purchased under the bid will be cancelled. As of August 1, 2024, 76,692,135 Class A Shares and 157,784,692 Class B Shares were issued and outstanding.

The average daily trading volume of the Class A Shares and Class B Shares of the Corporation between February 1, 2024 and July 31, 2024 through the facilities of the TSX in accordance with its requirements, or through other alternative trading systems in Canada, was 966 Class A Shares and 646,340 Class B Shares. Consequently, the Corporation will be authorized to purchase a maximum of 1,000 Class A Shares and 161,585 Class B Shares during the same trading day, pursuant to its normal course issuer bid.

The Corporation believes that the repurchase of these shares under this normal course issuer bid is in the best interests of the Corporation and its shareholders.

The Corporation also announced that on or around August 9, 2024 it will enter into an automatic securities purchase plan ("the plan") with a designated broker whereby shares may be repurchased under the plan at times when such purchases would otherwise be prohibited pursuant to regulatory restrictions or self-imposed blackout periods. The plan received prior approval from the TSX. It will come into effect on August 15, 2024 and terminate on the same date as the normal course issuer bid.

Under the plan, before entering a self-imposed blackout period, the Corporation may, but is not required to, ask the designated broker to make purchases under the normal course issuer bid. Such purchases shall be made at the discretion of the designated broker, within parameters established by the Corporation prior to the blackout periods. Outside the blackout periods, purchases will be made at the discretion of the Corporation's management.

Between August 15, 2023 and August 1, 2024, of the 1,000,000 Class A Shares and 2,000,000 Class B Shares it was authorized to repurchase under its previous normal course issuer bid, the Corporation repurchased no Class A Shares and 1,660,500 Class B Shares at a weighted average price of \$29.10956 per share on the open market through the facilities of the TSX and alternative trading systems in Canada.

In the first half of 2024, the Corporation purchased and cancelled 940,000 Class B Shares for a total cash consideration of \$27.7 million. The \$22.1 million excess of the purchase price over the carrying value of Class B Shares repurchased was recorded as a reduction of retained earnings.

Share issuance

On June 25, 2024, the Corporation redeemed all of its outstanding 4.0% convertible debentures in the aggregate principal amount of \$150.0 million. Pursuant to the terms of the debentures, the Corporation elected to settle the redemption in shares and consequently issued and delivered 5,161,237 Class B Shares to the holders.

Acquisition

On April 3, 2023, Videotron acquired Freedom from Shaw Communications Inc. Videotron paid \$2.07 billion in cash and assumed certain liabilities, mainly lease obligations. The acquisition included the Freedom brand's entire wireless and Internet customer base, as well as its owned infrastructure, spectrum and retail outlets.

Dividends declared

On August 7, 2024, the Board of Directors of Quebecor declared a quarterly dividend of \$0.325 per share on its Class A Shares and Class B Shares, payable on September 17, 2024 to shareholders of record at the close of business on August 23, 2024. This dividend is designated an eligible dividend, as provided under subsection 89(14) of the Canadian Income Tax Act and its provincial counterpart.

Spectrum licences

On May 29, 2024, Videotron acquired 305 blocks of spectrum in the 3800 MHz band across the country for a total price of \$298.9 million (of which \$59.8 million was paid in January 2024 and \$239.1 million was paid in May 2024). Approximately 61% of the 305 blocks of wireless spectrum are located outside Québec, mainly in southern Ontario, Alberta and British Columbia.

Detailed financial information

For a detailed analysis of Quebecor's second quarter 2024 results, please refer to the Management Discussion and Analysis and condensed consolidated financial statements of Quebecor, available on the Corporation's website at www.quebecor.com/en/investors/financial-documentation and the SEDAR+ website at www.sedarplus.ca.

Conference call for investors and webcast

Quebecor will hold a conference call to discuss its second quarter 2024 results on August 8, 2024, at 11:00 a.m. EDT. There will be a question period reserved for financial analysts. To access the conference call, please dial 1-877-293-8052, access code for participants 69843#. The conference call will also be broadcast live on Quebecor's website at www.quebecor.com/en/investors/conferences-and-annual-meeting. It is advisable to ensure the appropriate software is installed before accessing the call. Instructions and links to free player downloads are available at the Internet address shown above. Anyone unable to attend the conference call will be able to listen to a recording by dialing 1-877-293-8133, access code 69843#, recording access code 0114502#. The recording will be available until November 8, 2024.

Cautionary statement regarding forward-looking statements

The statements in this press release that are not historical facts are forward-looking statements and are subject to significant known and unknown risks, uncertainties and assumptions which could cause Quebecor's actual results for future periods to differ materially from those set forth in the forward-looking statements. Forward-looking statements may be identified by the use of the conditional or by forward-looking terminology such as the terms "plans," "expects," "may," "anticipates," "intends," "estimates," "projects," "seeks," "believes," or similar terms, variations of such terms or the negative of such terms. Certain factors that may cause actual results to differ from current expectations include the possibility that the Corporation will be unable to successfully implement its business strategies, including but not limited to the geographic expansion of its telecommunications activities and the reorganization of TVA Group, seasonality (including seasonal fluctuations in customer orders), operating risk (including fluctuations in demand for Quebecor's products and the pricing of competitors' products and services), new competition and Quebecor's ability to retain its current customers and attract new ones, Quebecor's ability to penetrate new highly competitive markets and the accuracy of estimates of the size of potential markets, risks related to fragmentation of the advertising market, insurance risk, risks associated with capital investments (including risks related to technological development and equipment availability and breakdown), environmental risks, risks associated with cybersecurity and the protection of personal information, risks associated with service interruptions resulting from equipment breakdown, network failure, the threat of natural disaster, epidemics, pandemics or other public health crises, political instability in some countries, risks associated with emergency measures implemented by various governments, risks associated with labour agreements, credit risk, financial risks, debt risks, risks related to interest rate fluctuations, foreign exchange risks, risks associated with government acts and regulations, risks related to unfavourable legal decisions or settlements, risks related to changes in tax legislation, and changes in the general political and economic environment.

In addition, there are risks associated with the acquisition of Freedom and the strategy for expanding outside Québec, including Quebecor's ability to successfully integrate Freedom's operations following the acquisition and to capture synergies, and risks related to potential unknown liabilities or costs associated with the acquisition of Freedom. Furthermore, the anticipated benefits and effects of the acquisition of Freedom may not be realized in a timely manner or at all, and ongoing operating costs and capital expenditures could be different than anticipated. In addition, the outcome of unanticipated litigation or other regulatory proceedings associated with the acquisition of Freedom could result in changes to the parameters of the transaction. Finally, the impacts of the significant and recurring investments that will be required in the new markets of Freedom and Videotron, as MVNOs or otherwise, for development and expansion and to compete effectively with the incumbent local exchange carriers (ILECs) and other current or potential competitors in these markets, including the fact that the post-acquisition Videotron business will continue to face the same risks that Videotron currently faces, but will also face increased risks relating to new geographies and markets;

Investors and others are cautioned that the foregoing list of factors that may affect future results is not exhaustive and that undue reliance should not be placed on any forward-looking statements. For more information on the risks, uncertainties and assumptions that could cause Quebecor's actual results to differ from current expectations, please refer to Quebecor's public filings, available at www.sedarplus.ca and www.quebecor.com, including, in particular, the "Trend Information" and "Risks and Uncertainties" sections of the Corporation's Management Discussion and Analysis for the year ended December 31, 2023.

The forward-looking statements in this press release reflect the Corporation's expectations as of August 8, 2024 and are subject to change after this date. The Corporation expressly disclaims any obligation or intention to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

About Quebecor

Quebecor, a Canadian leader in telecommunications, entertainment, news media and culture, is one of the best-performing integrated communications companies in the industry. Driven by their determination to deliver the best possible customer experience, all of Quebecor's subsidiaries and brands are differentiated by their high-quality, multiplatform, convergent products and services.

Quebecor (TSX: QBR.A, QBR.B) is headquartered in Québec and employs more than 11,000 people in Canada.

A family business founded in 1950, Quebecor is strongly committed to the community. Every year, it actively supports more than 400 organizations in the vital fields of culture, health, education, the environment, and entrepreneurship.

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DEFINITIONS

Adjusted EBITDA

In its analysis of operating results, the Corporation defines adjusted EBITDA, as reconciled to net income under IFRS, as net income before depreciation and amortization, financial expenses, gain (loss) on valuation and translation of financial instruments, restructuring, acquisition costs and other, and income taxes. Adjusted EBITDA as defined above is not a measure of results that is consistent with IFRS. It is not intended to be regarded as an alternative to IFRS financial performance measures or to the statement of cash flows as a measure of liquidity. It should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Corporation's management and Board of Directors use this measure in evaluating its consolidated results as well as the results of the Corporation's operating segments. This measure eliminates the significant level of impairment and depreciation/amortization of tangible and intangible assets and is unaffected by the capital structure or investment activities of the Corporation and its business segments.

Adjusted EBITDA is also relevant because it is a component of the Corporation's annual incentive compensation programs. A limitation of this measure, however, is that it does not reflect the capital expenditures and acquisitions of spectrum licences needed to generate revenues in the Corporation's segments. The Corporation also uses other measures that do reflect capital expenditures, such as adjusted cash flows from operations and free cash flows from operating activities. The Corporation's definition of adjusted EBITDA may not be the same as similarly titled measures reported by other companies.

Table 2 provides a reconciliation of adjusted EBITDA to net income as disclosed in Quebecor's condensed consolidated financial statements.

Table 2
Reconciliation of the adjusted EBITDA measure used in this press release to the net income measure used in the condensed consolidated financial statements
(in millions of Canadian dollars)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Adjusted EBITDA (negative adjusted EBITDA):				
Telecommunications	\$ 608.1	\$ 607.6	\$ 1,183.6	\$ 1,081.8
Media	18.9	(0.5)	2.2	(26.9)
Sports and Entertainment	1.0	3.0	4.9	6.4
Head Office	(3.1)	(4.9)	(6.3)	(13.3)
	624.9	605.2	1,184.4	1,048.0
Depreciation and amortization	(237.6)	(250.6)	(473.8)	(439.1)
Financial expenses	(108.1)	(113.7)	(217.0)	(191.6)
Gain (loss) on valuation and translation of financial instruments	5.7	1.6	15.5	(9.7)
Restructuring, acquisition costs and other	(7.0)	(13.3)	(9.2)	(18.9)
Income taxes	(71.3)	(57.9)	(125.7)	(103.9)
Net income	\$ 206.6	\$ 171.3	\$ 374.2	\$ 284.8

Adjusted income from operating activities

The Corporation defines adjusted income from operating activities, as reconciled to net income attributable to shareholders under IFRS, as net income attributable to shareholders before the gain (loss) on valuation and translation of financial instruments, and restructuring, acquisition costs and other, net of income tax related to adjustments and net income attributable to non-controlling interest related to adjustments. Adjusted income from operating activities, as defined above, is not a measure of results that is consistent with IFRS. It should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Corporation uses adjusted income from operating activities to analyze trends in the performance of its businesses. The above-listed items are excluded from the calculation of this measure because they impair the comparability of financial results. Adjusted income from operating activities is more representative for forecasting income. The Corporation's definition of adjusted income from operating activities may not be identical to similarly titled measures reported by other companies.

Table 3 provides a reconciliation of adjusted income from operating activities to the net income attributable to shareholders measure used in Quebecor's condensed consolidated financial statements.

Table 3

Reconciliation of the adjusted income from operating activities measure used in this press release to the net income attributable to shareholders measure used in the condensed consolidated financial statements

(in millions of Canadian dollars)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Adjusted income from operating activities	\$ 205.1	\$ 182.3	\$ 368.2	\$ 318.3
Gain (loss) on valuation and translation of financial instruments	5.7	1.6	15.5	(9.7)
Restructuring, acquisition costs and other	(7.0)	(13.3)	(9.2)	(18.9)
Income taxes related to adjustments ¹	1.3	3.5	3.7	5.1
Non-controlling interest related to adjustments	2.5	–	2.6	0.2
Net income attributable to shareholders	\$ 207.6	\$ 174.1	\$ 380.8	\$ 295.0

¹ Includes impact of fluctuations in income tax applicable to adjusted items, either for statutory reasons or in connection with tax transactions.

Adjusted cash flows from operations and free cash flows from operating activities

Adjusted cash flows from operations

Adjusted cash flows from operations represents adjusted EBITDA less capital expenditures (excluding spectrum licence acquisitions). Adjusted cash flows from operations represents funds available for interest and income tax payments, expenditures related to restructuring programs, business acquisitions, acquisitions of spectrum licences, payment of dividends, repayment of long-term debt and lease liabilities, and share repurchases. Adjusted cash flows from operations is not a measure of liquidity that is consistent with IFRS. It is not intended to be regarded as an alternative to IFRS financial performance measures or to the statement of cash flows as a measure of liquidity. Adjusted cash flows from operations is used by the Corporation's management and Board of Directors to evaluate the cash flows generated by the operations of all of its segments, on a consolidated basis, in addition to the operating cash flows generated by each segment. Adjusted cash flows from operations is also relevant because it is a component of the Corporation's annual incentive compensation programs. The Corporation's definition of adjusted cash flows from operations may not be identical to similarly titled measures reported by other companies.

Free cash flows from operating activities

Free cash flows from operating activities represents cash flows provided by operating activities calculated in accordance with IFRS, less cash flows used for capital expenditures (excluding spectrum licence acquisitions), plus proceeds from disposal of assets. Free cash flows from operating activities is used by the Corporation's management and Board of Directors to evaluate cash flows generated by the Corporation's operations. Free cash flows from operating activities represents available funds for business acquisitions, acquisitions of spectrum licences, payment of dividends, repayment of long-term debt and lease liabilities, and share repurchases. Free cash flows from operating activities is not a measure of liquidity that is consistent with IFRS. It is not intended to be regarded as an alternative to IFRS financial performance measures or to the statement of cash flows as a measure of liquidity. The Corporation's definition of free cash flows from operating activities may not be identical to similarly titled measures reported by other companies.

Tables 4 and 5 provide a reconciliation of adjusted cash flows from operations and free cash flows from operating activities to cash flows provided by operating activities reported in the condensed consolidated financial statements.

Table 4**Adjusted cash flows from operations**

(in millions of Canadian dollars)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Adjusted EBITDA (negative adjusted EBITDA)				
Telecommunications	\$ 608.1	\$ 607.6	\$ 1,183.6	\$ 1,081.8
Media	18.9	(0.5)	2.2	(26.9)
Sports and Entertainment	1.0	3.0	4.9	6.4
Head Office	(3.1)	(4.9)	(6.3)	(13.3)
	624.9	605.2	1,184.4	1,048.0
Minus				
Capital expenditures: ¹				
Telecommunications	(162.1)	(145.9)	(295.0)	(240.6)
Media	(11.0)	(2.2)	(17.2)	(3.2)
Sports and Entertainment	(1.9)	(1.7)	(3.3)	(2.6)
Head Office	(0.2)	(0.1)	(0.2)	(0.3)
	(175.2)	(149.9)	(315.7)	(246.7)
Adjusted cash flows from operations				
Telecommunications	446.0	461.7	888.6	841.2
Media	7.9	(2.7)	(15.0)	(30.1)
Sports and Entertainment	(0.9)	1.3	1.6	3.8
Head Office	(3.3)	(5.0)	(6.5)	(13.6)
	\$ 449.7	\$ 455.3	\$ 868.7	\$ 801.3

¹ Reconciliation to cash flows used for capital expenditures as per condensed consolidated financial statements:

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Capital expenditures	\$ (175.2)	\$ (149.9)	\$ (315.7)	\$ (246.7)
Net variance in current operating items related to capital expenditures (excluding government credits receivable for major capital projects)	3.9	13.9	(21.8)	(14.5)
Cash flows used for capital expenditures	\$ (171.3)	\$ (136.0)	\$ (337.5)	\$ (261.2)

Table 5**Free cash flows from operating activities and cash flows provided by operating activities reported in the condensed consolidated financial statements.**

(in millions of Canadian dollars)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Adjusted cash flows from operations from Table 4	\$ 449.7	\$ 455.3	\$ 868.7	\$ 801.3
<u>Plus (minus)</u>				
Cash portion of financial expenses	(105.7)	(111.5)	(212.3)	(187.7)
Cash portion related to restructuring, acquisition costs and other	(8.5)	(13.8)	(8.9)	(20.3)
Current income taxes	(64.7)	(57.6)	(146.8)	(125.1)
Other	1.5	2.0	2.8	2.3
Net change in non-cash balances related to operating activities	(55.4)	(65.4)	(38.3)	(86.1)
Net variance in current operating items related to capital expenditures (excluding government credits receivable for major capital projects)	3.9	13.9	(21.8)	(14.5)
Free cash flows from operating activities	220.8	222.9	443.4	369.9
<u>Plus (minus)</u>				
Cash flows used for capital expenditures (excluding spectrum licence acquisitions)	171.3	136.0	337.5	261.2
Proceeds from disposal of assets	(0.5)	(0.5)	(0.5)	(0.8)
Cash flows provided by operating activities	\$ 391.6	\$ 358.4	\$ 780.4	\$ 630.3

Consolidated net debt leverage ratio

The consolidated net debt leverage ratio represents consolidated net debt, excluding convertible debentures, divided by the trailing 12-month adjusted EBITDA. Consolidated net debt, excluding convertible debentures, represents total long-term debt plus bank indebtedness, lease liabilities and liabilities related to derivative financial instruments, less assets related to derivative financial instruments and cash and cash equivalents. The consolidated net debt leverage ratio serves to evaluate the Corporation's financial leverage and is used by management and the Board of Directors in its decisions on the Corporation's capital structure, including its financing strategy, and in managing debt maturity risks. The consolidated net debt leverage ratio excludes convertible debentures because, subject to certain conditions, those debentures can be repurchased at the Corporation's discretion by issuing Quebecor Class B Shares. Consolidated net debt leverage ratio is not a measure established in accordance with IFRS. It is not intended to be used as an alternative to IFRS measures or the balance sheet to evaluate the Corporation's financial position. The Corporation's definition of consolidated net debt leverage ratio may not be identical to similarly titled measures reported by other companies.

Table 6 provides the calculation of consolidated net debt leverage ratio and the reconciliation to balance sheet items reported in Quebecor's condensed consolidated financial statements.

Table 6**Consolidated net debt leverage ratio**

(in millions of Canadian dollars)

	June 30, 2024	Dec. 31, 2023
Total long-term debt¹	\$ 7,757.2	\$ 7,668.2
Plus (minus)		
Lease liabilities ²	373.1	376.2
Bank indebtedness	9.0	9.6
Derivative financial instruments ³	(76.9)	(110.8)
Cash and cash equivalents	(8.1)	(11.1)
Consolidated net debt excluding convertible debentures	8,054.3	7,932.1
Divided by:		
Trailing 12-month adjusted EBITDA ⁴	\$ 2,374.2	\$ 2,337.1
Consolidated net debt leverage ratio⁴	3.39x	3.39x

¹ Excluding changes in the fair value of long-term debt related to hedged interest rate risk and financing costs.

² Current and long-term liabilities.

³ Current and long-term assets less long-term liabilities.

⁴ On a pro forma basis as at December 31, 2023, using Freedom's trailing 12-month adjusted EBITDA.

Key performance indicator*Revenue-generating unit*

The Corporation uses RGU, an industry metric, as a key performance indicator. An RGU represents, as the case may be, subscriber connections to the mobile and wireline telephony services and subscriptions to the Internet access and television services. RGU is not a measurement that is consistent with IFRS and the Corporation's definition and calculation of RGU may not be the same as identically titled measurements reported by other companies or published by public authorities.

QUEBECOR INC.

CONSOLIDATED STATEMENTS OF INCOME

(in millions of Canadian dollars, except for earnings per share data)
(unaudited)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Revenues	\$ 1,386.9	\$ 1,398.5	\$ 2,749.7	\$ 2,514.1
Employee costs	187.2	198.5	376.4	375.0
Purchase of goods and services	574.8	594.8	1,188.9	1,091.1
Depreciation and amortization	237.6	250.6	473.8	439.1
Financial expenses	108.1	113.7	217.0	191.6
(Gain) loss on valuation and translation of financial instruments	(5.7)	(1.6)	(15.5)	9.7
Restructuring, acquisition costs and other	7.0	13.3	9.2	18.9
Income before income taxes	277.9	229.2	499.9	388.7
Income taxes (recovery):				
Current	64.7	57.6	146.8	125.1
Deferred	6.6	0.3	(21.1)	(21.2)
	71.3	57.9	125.7	103.9
Net income	\$ 206.6	\$ 171.3	\$ 374.2	\$ 284.8
Net income (loss) attributable to				
Shareholders	\$ 207.6	\$ 174.1	\$ 380.8	\$ 295.0
Non-controlling interests	(1.0)	(2.8)	(6.6)	(10.2)
Earnings per share attributable to shareholders				
Basic	\$ 0.90	\$ 0.75	\$ 1.65	\$ 1.28
Diluted	0.90	0.73	1.65	1.28
Weighted average number of shares outstanding (in millions)	230.8	230.9	230.8	230.9
Weighted average number of diluted shares (in millions)	231.1	236.2	231.1	231.3

QUEBECOR INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions of Canadian dollars)
(unaudited)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Net income	\$ 206.6	\$ 171.3	\$ 374.2	\$ 284.8
Other comprehensive (loss) income:				
Items that may be reclassified to income:				
Cash flow hedges:				
(Loss) gain on valuation of derivative financial instruments	(13.7)	23.5	(5.8)	27.5
Deferred income taxes	2.4	(4.9)	(0.1)	(5.1)
Loss on translation of investments in foreign associates	(0.7)	(9.3)	(1.9)	(9.7)
Items that will not be reclassified to income:				
Defined benefit plans:				
Re-measurement gain	9.9	-	63.7	-
Deferred income taxes	(2.6)	-	(16.7)	-
Equity investment:				
Gain (loss) on revaluation of an equity investment	0.4	(5.4)	3.7	1.4
Deferred income taxes	(0.1)	0.7	(0.5)	(0.1)
	<u>(4.4)</u>	<u>4.6</u>	<u>42.4</u>	<u>14.0</u>
Comprehensive income	\$ 202.2	\$ 175.9	\$ 416.6	\$ 298.8
Comprehensive income (loss) attributable to				
Shareholders	\$ 202.7	\$ 178.7	\$ 419.4	\$ 309.0
Non-controlling interests	(0.5)	(2.8)	(2.8)	(10.2)

QUEBECOR INC.

SEGMENTED INFORMATION

(in millions of Canadian dollars)
(unaudited)

Three months ended June 30, 2024

	Telecommuni- cations	Media	Sports and Enter- tainment	Head office and Inter- segments	Total
Revenues	\$ 1,186.9	\$ 184.4	\$ 45.4	\$ (29.8)	\$ 1,386.9
Employee costs	122.2	44.9	11.1	9.0	187.2
Purchase of goods and services	456.6	120.6	33.3	(35.7)	574.8
Adjusted EBITDA ¹	608.1	18.9	1.0	(3.1)	624.9
Depreciation and amortization					237.6
Financial expenses					108.1
Gain on valuation and translation of financial instruments					(5.7)
Restructuring, acquisition costs and other					7.0
Income before income taxes					\$ 277.9
Cash flows used for capital expenditures	\$ 160.0	\$ 9.2	\$ 1.9	\$ 0.2	\$ 171.3
Acquisition of spectrum licences	239.1	-	-	-	239.1

Three months ended June 30, 2023

	Telecommuni- cations	Media	Sports and Enter- tainment	Head office and Inter- segments	Total
Revenues	\$ 1,201.2	\$ 180.3	\$ 48.8	\$ (31.8)	\$ 1,398.5
Employee costs	125.6	54.2	11.8	6.9	198.5
Purchase of goods and services	468.0	126.6	34.0	(33.8)	594.8
Adjusted EBITDA ¹	607.6	(0.5)	3.0	(4.9)	605.2
Depreciation and amortization					250.6
Financial expenses					113.7
Gain on valuation and translation of financial instruments					(1.6)
Restructuring, acquisition costs and other					13.3
Income before income taxes					\$ 229.2
Cash flows used for capital expenditures	\$ 133.4	\$ 0.8	\$ 1.7	\$ 0.1	\$ 136.0

QUEBECOR INC.
SEGMENTED INFORMATION (continued)

(in millions of Canadian dollars)
(unaudited)

Six months ended June 30, 2024

	Telecommuni- cations	Media	Sports and Enter- tainment	Head office and Inter- segments	Total
Revenues	\$ 2,366.4	\$ 353.2	\$ 92.1	\$ (62.0)	\$ 2,749.7
Employee costs	245.4	92.5	22.2	16.3	376.4
Purchase of goods and services	937.4	258.5	65.0	(72.0)	1,188.9
Adjusted EBITDA ¹	1,183.6	2.2	4.9	(6.3)	1,184.4
Depreciation and amortization					473.8
Financial expenses					217.0
Gain on valuation and translation of financial instruments					(15.5)
Restructuring, acquisition costs and other					9.2
Income before income taxes					\$ 499.9
Cash flows used for capital expenditures	\$ 321.0	\$ 13.0	\$ 3.3	\$ 0.2	\$ 337.5
Acquisition of spectrum licences	298.9	-	-	-	298.9

Six months ended June 30, 2023

	Telecommuni- cations	Media	Sports and Enter- tainment	Head office and Inter- segments	Total
Revenues	\$ 2,126.2	\$ 351.1	\$ 97.3	\$ (60.5)	\$ 2,514.1
Employee costs	223.5	110.8	23.4	17.3	375.0
Purchase of goods and services	820.9	267.2	67.5	(64.5)	1,091.1
Adjusted EBITDA ¹	1,081.8	(26.9)	6.4	(13.3)	1,048.0
Depreciation and amortization					439.1
Financial expenses					191.6
Loss on valuation and translation of financial instruments					9.7
Restructuring, acquisition costs and other					18.9
Income before income taxes					\$ 388.7
Cash flows used for capital expenditures	\$ 255.0	\$ 3.3	\$ 2.6	\$ 0.3	\$ 261.2
Acquisition of spectrum licences	9.9	-	-	-	9.9

¹ The Chief Executive Officer uses adjusted EBITDA as the measure of profit to assess the performance of each segment. Adjusted EBITDA is a non-IFRS measure and is defined as net income before depreciation and amortization, financial expenses, (gain) loss on valuation and translation of financial instruments, restructuring, acquisition costs and other and income taxes.

QUEBECOR INC.
CONSOLIDATED STATEMENTS OF EQUITY

(in millions of Canadian dollars)
(unaudited)

	Equity attributable to shareholders				Equity attributable to non-controlling interests	Total equity
	Capital stock	Contributed surplus	Retained earnings	Accumulated other comprehensive income		
Balance as of December 31, 2022	\$ 916.2	\$ 17.4	\$ 421.9	\$ 1.8	\$ 126.2	\$ 1,483.5
Net income (loss)	-	-	295.0	-	(10.2)	284.8
Other comprehensive income	-	-	-	14.0	-	14.0
Dividends	-	-	(138.6)	-	(0.2)	(138.8)
Balance as of June 30, 2023	916.2	17.4	578.3	15.8	115.8	1,643.5
Net income (loss)	-	-	355.5	-	(5.2)	350.3
Other comprehensive (loss) income	-	-	-	(10.0)	0.6	(9.4)
Dividends	-	-	(138.5)	-	-	(138.5)
Repurchase of Class B Shares	(1.6)	-	(6.2)	-	-	(7.8)
Business disposal	-	-	-	-	(0.4)	(0.4)
Balance as of December 31, 2023	914.6	17.4	789.1	5.8	110.8	1,837.7
Net income (loss)	-	-	380.8	-	(6.6)	374.2
Other comprehensive income	-	-	-	38.6	3.8	42.4
Dividends	-	-	(149.9)	-	(0.1)	(150.0)
Repurchase of Class B Shares	(5.6)	-	(22.1)	-	-	(27.7)
Issuance of Class B Shares	150.0	-	-	-	-	150.0
Balance as of June 30, 2024	\$ 1,059.0	\$ 17.4	\$ 997.9	\$ 44.4	\$ 107.9	\$ 2,226.6

QUEBECOR INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions of Canadian dollars)
(unaudited)

	Three months ended		Six months ended	
	2024	2023	2024	2023
Cash flows related to operating activities				
Net income	\$ 206.6	\$ 171.3	\$ 374.2	\$ 284.8
Adjustments for:				
Depreciation of property, plant and equipment	142.0	156.2	283.9	290.1
Amortization of intangible assets	62.7	64.5	128.0	107.9
Depreciation of right-of-use assets	32.9	29.9	61.9	41.1
(Gain) loss on valuation and translation of financial instruments	(5.7)	(1.6)	(15.5)	9.7
Impairment of assets	8.0	-	10.4	-
Amortization of financing costs	2.4	2.2	4.7	3.9
Deferred income taxes	6.6	0.3	(21.1)	(21.2)
Other	(8.5)	1.0	(7.8)	0.1
	<u>447.0</u>	<u>423.8</u>	<u>818.7</u>	<u>716.4</u>
Net change in non-cash balances related to operating activities	(55.4)	(65.4)	(38.3)	(86.1)
Cash flows provided by operating activities	<u>391.6</u>	<u>358.4</u>	<u>780.4</u>	<u>630.3</u>
Cash flows related to investing activities				
Capital expenditures	(171.3)	(136.0)	(337.5)	(261.2)
Deferred subsidies (used) received to finance capital expenditures	-	(13.9)	37.0	(33.9)
Acquisitions of spectrum licences	(239.1)	-	(298.9)	(9.9)
Business acquisition	(7.0)	(2,067.8)	(7.0)	(2,067.8)
Proceeds from disposals of assets	0.5	0.5	0.5	0.8
Acquisitions of investments and other	(0.8)	(3.3)	(15.4)	(3.9)
Cash flows used in investing activities	<u>(417.7)</u>	<u>(2,220.5)</u>	<u>(621.3)</u>	<u>(2,375.9)</u>
Cash flows related to financing activities				
Net change in bank indebtedness	(3.3)	(24.2)	(0.6)	-
Net change under revolving facilities, net of financing costs	(109.4)	(38.3)	(217.2)	642.2
Issuance of long-term debt, net of financing costs	992.6	2,092.5	992.6	2,092.5
Repayment of long-term debt	(825.3)	-	(825.3)	(1,138.1)
Settlement of hedging contracts	163.0	-	163.0	307.2
Repayment of lease liabilities	(31.6)	(22.2)	(59.9)	(33.1)
Repurchase of Class B Shares	(27.7)	-	(27.7)	-
Dividends	(149.9)	(138.6)	(149.9)	(138.6)
Dividends paid to non-controlling interests	(0.1)	(0.1)	(0.1)	(0.2)
Cash flows provided by (used in) financing activities	<u>8.3</u>	<u>1,869.1</u>	<u>(125.1)</u>	<u>1,731.9</u>
Net change in cash, cash equivalents and restricted cash	(17.8)	7.0	34.0	(13.7)
Cash, cash equivalents and restricted cash at beginning of period	62.9	25.2	11.1	45.9
Cash, cash equivalents and restricted cash at end of period	<u>\$ 45.1</u>	<u>\$ 32.2</u>	<u>\$ 45.1</u>	<u>\$ 32.2</u>
Cash, cash equivalents and restricted cash consist of				
Cash and cash equivalents	\$ 8.1	\$ 26.8	\$ 8.1	\$ 26.8
Restricted cash	37.0	5.4	37.0	5.4
	<u>\$ 45.1</u>	<u>\$ 32.2</u>	<u>\$ 45.1</u>	<u>\$ 32.2</u>
Cash flows used for capital expenditures				
Additions to property, plant and equipment	\$ 126.5	\$ 98.5	\$ 253.5	\$ 188.0
Additions to intangible assets (excluding acquisitions of spectrum licences)	44.8	37.5	84.0	73.2
	<u>\$ 171.3</u>	<u>\$ 136.0</u>	<u>\$ 337.5</u>	<u>\$ 261.2</u>

QUEBECOR INC.

CONSOLIDATED BALANCE SHEETS

(in millions of Canadian dollars)
(unaudited)

	June 30	December 31
	2024	2023
Assets		
Current assets		
Cash and cash equivalents	\$ 8.1	\$ 11.1
Restricted cash	37.0	-
Accounts receivable	1,135.9	1,175.1
Contract assets	134.0	125.4
Income taxes	33.4	49.0
Inventories	444.2	512.1
Derivative financial instruments	-	129.3
Other current assets	206.2	192.3
	1,998.8	2,194.3
Non-current assets		
Property, plant and equipment	3,391.2	3,417.9
Intangible assets	3,639.5	3,385.1
Right-of-use assets	338.0	340.8
Goodwill	2,713.4	2,721.2
Derivative financial instruments	76.9	35.8
Deferred income taxes	23.1	23.4
Other assets	698.4	622.8
	10,880.5	10,547.0
Total assets	\$ 12,879.3	\$ 12,741.3
Liabilities and equity		
Current liabilities		
Bank indebtedness	\$ 9.0	\$ 9.6
Accounts payable, accrued charges and provisions	1,003.2	1,185.9
Deferred revenue	384.1	370.6
Deferred subsidies	37.0	-
Income taxes	38.0	24.7
Convertible debentures	-	150.0
Current portion of long-term debt	400.0	1,480.6
Current portion of lease liabilities	100.0	98.5
	1,971.3	3,319.9
Non-current liabilities		
Long-term debt	7,322.1	6,151.8
Lease liabilities	273.1	277.7
Derivative financial instruments	-	54.3
Deferred income taxes	805.7	809.7
Other liabilities	280.5	290.2
	8,681.4	7,583.7
Equity		
Capital stock	1,059.0	914.6
Contributed surplus	17.4	17.4
Retained earnings	997.9	789.1
Accumulated other comprehensive income	44.4	5.8
Equity attributable to shareholders	2,118.7	1,726.9
Non-controlling interests	107.9	110.8
	2,226.6	1,837.7
Total liabilities and equity	\$ 12,879.3	\$ 12,741.3