MANAGEMENT DISCUSSION AND ANALYSIS
FIRST QUARTER 2026

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CORPORATE PROFILE

This Management Discussion and Analysis covers the main activities of Quebecor Inc. in the first quarter of 2026 and the major changes from the previous financial year. It should be read in conjunction with the information in the consolidated financial statements and Management Discussion and Analysis for the financial year ended December 31, 2025. Unless otherwise indicated, all amounts are stated in Canadian dollars ("CAN dollars") and "Quebecor" and "the Corporation" refer to Quebecor Inc. and its subsidiaries.

Quebecor, one of Canada's largest telecommunications and media groups, operates in the following segments: Telecommunications, Media, and Sports and Entertainment. The Telecommunications segment offers mobile and wireline telephony, Internet access, television distribution, business solutions and over–the–top ("OTT") video services in Canada. The operations of the Media segment in Québec include the operation of an over–the–air television network and specialty television services, the operation of soundstage and equipment rental and postproduction services for the film and television industries, the printing, publishing and distribution of daily newspapers, the operation of news and entertainment digital platforms, the publishing and distribution of magazines, the production and distribution of audiovisual content, and the out–of–home advertising. The activities of the Sports and Entertainment segment in Québec encompass the operation and management of the Videotron Centre in Québec City, show production, sporting and cultural event management, the publishing and distribution of books, the production of music, and the operation of a Quebec Maritimes Junior Hockey League team.

Quebecor is expanding its geographic footprint in the Canadian telecom market through a strategy focused on increasing competition in mobile telephony, and is pursuing a convergence strategy to leverage the value of its content for the benefit of its various properties and multiple distribution platforms.

The Corporation uses financial measures not standardized under International Financial Reporting Standards ("IFRS"), such as adjusted EBITDA, adjusted net income, adjusted cash flows from operations, free cash flows and consolidated net debt leverage ratio. It also uses key performance indicators, such as revenue-generating unit ("RGU") and average monthly mobile revenue per unit ("mobile ARPU"). Definitions of these measures are provided in the "Non-IFRS financial measures" and "Key performance indicators" sections.

HIGHLIGHTS

First quarter 2026

Revenues: $1.40 billion, a $52.1 million (3.9%) increase.

Adjusted EBITDA:[1] $576.6 million, a $27.0 million (4.9%) increase, despite the $47.3 million unfavourable impact of the stock-based compensation charge across all of the Corporation's segments.

Net income attributable to shareholders: $225.4 million ($1.00 per basic share), an increase of $34.7 million ($0.18 per basic share) or 18.2%.

Adjusted net income:[1] $219.5 million ($0.97 per basic share), an increase of $34.4 million ($0.17 per basic share) or 18.6%.

Adjusted cash flows from operations:[1] $443.7 million, a $40.4 million (10.0%) increase.

Cash flows provided by operating activities: $420.3 million, a $0.1 million increase.

[1] See "Non-IFRS financial measures."

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

	Three months ended March 31	
	2026	2025
Income		
Revenues:		
Telecommunications	**$ 1,216.9**	$ 1,160.1
Media	**156.5**	164.6
Sports and Entertainment	**49.0**	49.7
Inter-segments	**(27.2)**	(31.3)
	1,395.2	1,343.1
Adjusted EBITDA (negative adjusted EBITDA):		
Telecommunications	**619.6**	581.4
Media	**(2.2)**	(18.6)
Sports and Entertainment	**1.8**	3.5
Head Office	**(42.6)**	(16.7)
	576.6	549.6
Depreciation and amortization	**(209.4)**	(215.3)
Financial expenses	**(76.2)**	(92.5)
Restructuring, impairment of assets and other	**(4.1)**	(3.3)
Other items	**9.4**	6.6
Income taxes	**(72.2)**	(60.8)
Net income	**$ 224.1**	$ 184.3
Net income attributable to shareholders	**$ 225.4**	$ 190.7
Adjusted net income	**219.5**	185.1
Per basic share:		
Net income attributable to shareholders	**1.00**	0.82
Adjusted net income	**0.97**	0.80

Table 1 (continued)

	Three months ended March 31	
	2026	2025
Capital expenditures:		
Telecommunications	**$ 130.3**	$ 142.2
Media	**1.2**	2.9
Sports and Entertainment	**1.3**	1.2
Head Office	**0.1**	–
	132.9	146.3
Cash flows:		
Adjusted cash flows from operations:		
Telecommunications	**489.3**	439.2
Media	**(3.4)**	(21.5)
Sports and Entertainment	**0.5**	2.3
Head Office	**(42.7)**	(16.7)
	443.7	403.3
Free cash flows[1]	**235.5**	237.8
Cash flows provided by operating activities	**420.3**	420.2

	March 31, 2026	Dec. 31, 2025
Balance sheet:		
Cash and cash equivalents	**$ 281.1**	$ 160.6
Working capital	**(117.4)**	(233.2)
Net assets related to derivative financial instruments	**90.0**	24.3
Total assets	**12,798.4**	12,812.2
Total long-term debt (including current portion)	**6,888.3**	6,824.3
Lease liabilities (current and long term)	**412.2**	410.6
Equity attributable to shareholders	**2,678.7**	2,625.0
Equity	**2,789.4**	2,737.0
Consolidated net debt leverage ratio[2]	**2.86x**	2.95x

Telecommunications

- The Telecommunications segment grew its revenues by $56.8 million (4.9%) and its adjusted EBITDA by $38.2 million (6.6%) in the first quarter of 2026.
- Increase in revenues from mobile telephony services ($37.6 million or 8.8%) and Internet access services ($10.1 million or 3.2%).
- Net increase of 13,900 RGUs[2] (0.2%) in the first quarter of 2026, including 28,800 connections (0.7%) to the mobile telephony service.
- On April 15, 2026, Videotron Ltd. ("Videotron") was ranked the most respected telecommunications provider in Québec in 2026 Léger's Reputation survey for the 20th time since 2006, an achievement unequalled in the industry. It reflects the bond of trust Videotron has built over more than 20 years with millions of customers across Québec.

[1] See "Non-IFRS financial measures."
[2] See "Key performance indicators."

- On April 10, 2026, Videotron launched a new 2 GIGA residential Internet plan designed to meet the needs of connected households, with download speeds of up to 2,000 Mbps and upload speeds of up to 200 Mbps. 2 GIGA Internet is now available in parts of Montréal, Laval and Québec City. It will be gradually rolled out across the network.
- On February 24, 2026, Freedom Mobile ("Freedom") launched the Total Freedom family of plans, which provide nationwide coverage in Canada and roaming in over 120 international destinations at no extra charge. These plans include 5G+ access, international roaming and the Price Freeze Promise, delivering a seamless, worry-free experience for customers both in Canada and abroad.

Media

- In the first quarter of 2026, there was an $8.1 million (-4.9%) decrease in the Media segment's revenues and a $16.4 million favourable variance in its adjusted EBITDA.

Sports and Entertainment

- The Sports and Entertainment segment's revenues decreased by $0.7 million (-1.4%) and its adjusted EBITDA by $1.7 million in the first quarter of 2026.

Financing operations

- On April 2, 2026, Videotron repaid the $500.0 million balance of the second tranche of its term credit facility. On May 6, 2026, Videotron also made an early repayment of $200.0 million of the $700.0 million tranche of its term credit facility maturing in April 2027.
- On April 1, 2026, Videotron established a commercial paper program in the United States by way of private placement, under which it may issue unsecured senior notes (ranking pari passu with its other unsecured and unsubordinated debt) with a maximum maturity of 364 days, up to an outstanding amount of US$1.0 billion. Videotron's revolving credit facility will serve as a liquidity backstop, and Videotron intends to hedge the foreign exchange risk associated with these issuances.
- On January 28, 2026, Videotron amended and restated its credit agreement to extend the term of the two existing tranches of its revolving credit facility: (i) the first tranche in the amount of $400.0 million now maturing in January 2031, and (ii) the second tranche in the amount of $400.0 million now maturing in January 2027 and providing for a conversion option into a term facility maturing in January 2028. Videotron also added two new tranches to its revolving credit facility: (i) a first tranche in the amount of US$250.0 million maturing in January 2031, and (ii) a second tranche in the amount of US$250.0 million maturing in January 2027 and providing for a conversion option into a term facility maturing in January 2028. Certain conditions of the facilities were also amended.

ANALYSIS OF CONSOLIDATED RESULTS

2026/2025 first quarter comparison

Revenues: $1.40 billion, a $52.1 million (3.9%) increase.

- Revenues increased in Telecommunications ($56.8 million or 4.9% of segment revenues).
- Revenues decreased in Media ($8.1 million or -4.9%) and in Sports and Entertainment ($0.7 million or -1.4%).

Adjusted EBITDA: $576.6 million, an increase of $27.0 million (4.9%), despite the $47.3 million unfavourable impact of the stock-based compensation charge across all of the Corporation's segments, due mainly to a significant increase in Quebecor's share price.

- Adjusted EBITDA increased in Telecommunications ($38.2 million or 6.6% of segment adjusted EBITDA).
- There was a favourable variance in Media ($16.4 million).
- There was an unfavourable variance at Head Office ($25.9 million), essentially due to the increase in the stock-based compensation charge.
- Adjusted EBITDA decreased in Sports and Entertainment ($1.7 million).

Net income attributable to shareholders: $225.4 million ($1.00 per basic share) in the first quarter of 2026, compared with $190.7 million ($0.82 per basic share) in the same period of 2025, an increase of $34.7 million ($0.18 per basic share) or 18.2%.

- The favourable variances were:
  - $27.0 million increase in adjusted EBITDA;
  - $16.3 million decrease in financial expenses;
  - $5.9 million decrease in the depreciation and amortization charge;
  - $2.8 million favourable variance in other items.
- The main unfavourable variances were:
  - $11.4 million increase in the income tax expense;
  - $5.1 million unfavourable variance in non-controlling interest.

Adjusted net income: $219.5 million ($0.97 per basic share) in the first quarter of 2026, compared with $185.1 million ($0.80 per basic share) in the same period of 2025, an increase of $34.4 million ($0.17 per basic share) or 18.6%.

Adjusted cash flows from operations: $443.7 million, a $40.4 million (10.0%) increase in the first quarter of 2026 due to the $27.0 million increase in adjusted EBITDA and the $13.4 million decrease in capital expenditures.

Cash flows provided by operating activities: $420.3 million, a $0.1 million increase. The increase in adjusted EBITDA and the decrease in the cash portion of financial expenses were offset by the increase in current income taxes.

Depreciation and amortization charge: $209.4 million in the first quarter of 2026, a $5.9 million decrease. The depreciation and amortization charge was mainly attributable to the Telecommunications segment.

Financial expenses: $76.2 million in the first quarter of 2026, a $16.3 million decrease due primarily to lower average indebtedness and the impact of lower average interest rates on long-term debt.

Charge for restructuring, impairment of assets and other: $4.1 million, a $0.8 million unfavourable variance.

Gain on other items: $9.4 million in the first quarter of 2026, a $2.8 million favourable variance.

Income tax expense: $72.2 million in the first quarter of 2026 (effective tax rate of 25.6%), compared with $60.8 million in the same period of 2025 (effective tax rate of 26.0%), an $11.4 million unfavourable variance caused mainly by the impact of the increase in taxable income. The effective tax rate is calculated considering only taxable and deductible items.

SEGMENTED ANALYSIS

Telecommunications

First quarter 2026 operating results

Revenues: $1.22 billion in the first quarter of 2026, a $56.8 million (4.9%) increase.

- Revenues from mobile telephony services increased $37.6 million (8.8%) to $466.4 million, mainly because of an increase in the number of subscriber connections and higher average per-connection revenues.
- Revenues from Internet access services increased $10.1 million (3.2%) to $322.7 million, due primarily to higher average per-customer revenue.
- Revenues from television services decreased $2.0 million (-1.1%) to $188.2 million, mainly because of the impact of the decrease in the number of customers, in line with market trends, partially offset by higher average per-customer revenue.
- Revenues from wireline telephony services decreased $5.9 million (-9.8%) to $54.0 million, mainly because of decreases in the number of subscriber connections, in line with market trends.
- Revenues from mobile equipment sales to customers increased $15.3 million (12.1%) to $141.6 million, mainly because of price increases.
- Other revenues increased $1.7 million (4.0%) to $44.0 million.

Mobile ARPU:[1] $35.19 in the first quarter of 2026 compared with $34.70 in the same period of 2025, a $0.49 (1.4%) increase, mainly attributable to lower promotional discounts and customer migration to higher-priced plans, partially offset by the dilutive effect of Freedom's and Fizz's prepaid services.

Customer statistics

Table 2 shows changes in RGUs for the three-month and twelve-month periods ended March 31, 2026 and 2025.

Table 2
Change in RGUs
(in thousands of units)

	Three months ended March 31		Twelve months ended March 31	
	2026	2025	**2026**	2025
Mobile telephony	28.8	52.9	286.9	362.0
	0.7%	*1.3%*	*6.9%*	*9.6%*
Internet access	1.0	(3.5)	12.0	8.0
	0.1%	*-0.2%*	*0.7%*	*0.5%*
Television	(4.4)	(0.9)	(46.7)	(42.2)
	-0.4 %	*-0.1 %*	*-3.6 %*	*-3.2 %*
Wireline telephony	(11.5)	(15.7)	(57.0)	(65.1)
	-2.1%	*-2.6%*	*-9.6%*	*-9.9%*
Total RGUs	13.9	32.8	*195.2*	262.7
	0.2 %	*0.4 %*	*2.5 %*	*3.5 %*

[1] See "Key performance indicators."

Table 3
Quarter-end RGUs
(in thousands of customers)

	Mar. 2026	Dec. 2025	Sept. 2025	June 2025	Mar. 2025	Dec. 2024	Sept. 2024	June 2024
Mobile telephony	**4,430.8**	4,402.0	4,328.1	4,214.3	4,143.9	4,091.0	4,005.0	3,874.2
Internet access	**1,741.1**	1,740.1	1,736.4	1,725.9	1,729.1	1,732.6	1,734.3	1,722.5
Television	**1,246.8**	1,251.2	1,259.3	1,274.2	1,293.5	1,294.4	1,311.9	1,321.9
Wireline telephony	**536.2**	547.7	562.1	577.4	593.2	608.9	627.5	643.4
Total	**7,954.9**	7,941.0	7,885.9	7,791.8	7,759.7	7,726.9	7,678.7	7,562.0

Adjusted EBITDA: $619.6 million, a $38.2 million (6.6%) increase due primarily to:

- impact of higher revenues from mobile telephony and Internet access services;
- decreases in some operating expenses, including customer service and administration.

Partially offset by:

- the increase in the stock-based compensation charge;
- the impact of lower wireline telephony revenues.

Cost/revenue ratio: Employee costs and purchases of goods and services for all operations, expressed as a percentage of revenues, were 49.1% in the first quarter of 2026 compared with 49.9% in the same period of 2025.

Adjusted cash flows from operations: $489.3 million in the first quarter of 2026 compared with $439.2 million in the same period of 2025 (Table 10). The $50.1 million (11.4%) increase was due to the $38.2 million increase in adjusted EBITDA and the $11.9 million decrease in capital expenditures.

Media

First quarter 2026 operating results

Revenues: $156.5 million in the first quarter of 2026, an $8.1 million (-4.9%) decrease.

- Advertising revenues decreased by $5.4 million (-7.2%), mainly in out-of-home, newspapers and television.
- Subscription revenues increased by $3.7 million (8.5%), essentially due to higher carriage fees for the television specialty channels.
- Other revenues decreased by $6.4 million (-14.1%), mainly because of lower revenues from digital marketing and from film production and audiovisual services.

Adjusted EBITDA: Negative $2.2 million, a favourable variance of $16.4 million due mainly to cost savings resulting from various cost-reduction initiatives, including lower content costs, and to the favourable impact of the cancellation of the digital services tax by the federal government.

Cost/revenue ratio: Employee costs and purchases of goods and services for all operations, expressed as a percentage of revenues, were 101.4% in the first quarter of 2026 compared with 111.3% in the same period of 2025, essentially because of the reduction in operating expenses.

Adjusted cash flows from operations: Negative $3.4 million in the first quarter of 2026 compared with negative $21.5 million in the same period of 2025 (Table 10). The $18.1 million favourable variance was mainly due to the $16.4 million favourable variance in adjusted EBITDA.

Sports and Entertainment

First quarter 2026 operating results

Revenues: $49.0 million in the first quarter of 2026, a $0.7 million (-1.4%) decrease due primarily to lower revenues from books.

Adjusted EBITDA: $1.8 million in the first quarter of 2026, a $1.7 million decrease due mainly to the impact of the increase in the stock-based compensation charge and the impact of the revenue decrease.

Adjusted cash flows from operations: $0.5 million in the first quarter of 2026, a $1.8 million decrease due mainly to the $1.7 million decrease in adjusted EBITDA.

CASH FLOWS AND FINANCIAL POSITION

This section provides an analysis of the Corporation's sources and uses of cash flows, as well as a financial position analysis as of the balance sheet date.

Operating activities

Cash flows provided by operating activities: $420.3 million in the first quarter of 2026 compared with $420.2 million in the same period of 2025.

The $0.1 million increase was primarily due to:

- $27.0 million increase in adjusted EBITDA;
- $16.2 million decrease in the cash portion of financial expenses.

Partially offset by:

- $31.8 M$ increase in current income taxes;
- $10.2 million unfavourable net change in non-cash balances related to operating activities, due primarily to unfavourable variances in accounts receivable and contract assets, partially offset by favourable variances in provisions for stock-based compensation plans.

Compared with the first quarter of 2025, cash flows provided by operating activities were favourably impacted in 2026 by an increase in adjusted EBITDA in the Telecommunications and Media segments, a decrease in financial expenses and a favourable variance in non-cash items related to operating activities in the Media segment, partially offset by lower non-cash items related to operating activities in the Telecommunications segment and higher income taxes because of the increase in taxable income.

Working capital: Negative $117.4 million at March 31, 2026 compared with negative $233.2 million at December 31, 2025. The $115.8 million favourable variance was due primarily to an increase in cash and cash equivalents and a decrease in accounts payable, accrued charges and provisions, partially offset by a decrease in accounts receivable and inventory.

Investing activities

Cash flows used for capital expenditures: $185.4 million in the first quarter of 2026, compared with $182.5 million in the same period of 2025. The $2.9 million increase was due to a $16.3 million unfavourable net change in current non-cash items, partially offset by a $13.4 million reduction in capital expenditures, mainly in the Telecommunications segment.

Net subsidies received to finance additions to property, plant and equipment: $0.2 million in the first quarter of 2026 under the Québec government's initiative to improve telecommunications service availability in outlying regions of Québec, compared with $18.3 million in the same quarter of 2025.

Proceeds from disposal of assets: $0.6 million in the first quarter of 2026 compared with $0.1 million in the same period of 2025.

Acquisition of investments and other: Cash inflows of $2.6 million in the first quarter of 2026, compared with $1.1 million in the same period of 2025.

Free cash flows

Free cash flows: $235.5 million in the first quarter of 2026 compared with $237.8 million in the same period of 2025 (Table 11). The $2.3 million decrease was due mainly to a $2.9 million increase in cash flows used for capital expenditures.

Financing activities

Consolidated debt: $64.6 million increase in the first quarter of 2026. There was a $65.7 million net favourable variance in the net asset related to derivative financial instruments.

- The $64.6 million increase in debt in the first quarter of 2026 was essentially due to the $63.9 million unfavourable impact of the average exchange rate variance. The consolidated debt increase attributable to this item was offset by the increase in the net asset related to derivative financial instruments.
- The $65.7 million net favourable variance in the net asset related to derivative financial instruments in the first quarter of 2026 was mainly due to the favourable impact of exchange rate fluctuations on the value of derivative financial instruments.

- On April 2, 2026, Videotron repaid the $500.0 million balance of the second tranche of its term credit facility. On May 6, 2026, Videotron also made an early repayment of $200.0 million of the $700.0 million tranche of its term credit facility maturing in April 2027.
- On April 1, 2026, Videotron established a commercial paper program in the United States by way of private placement, under which it may issue unsecured senior notes (ranking pari passu with its other unsecured and unsubordinated debt) with a maximum maturity of 364 days, up to an outstanding amount of US$1.0 billion. Videotron's revolving credit facility will serve as a liquidity backstop, and the Corporation intends to hedge the foreign exchange risk associated with these issuances.
- On January 28, 2026, Videotron amended and restated its credit agreement to extend the term of the two existing tranches of its revolving credit facility: (i) the first tranche in the amount of $400.0 million now maturing in January 2031, and (ii) the second tranche in the amount of $400.0 million now maturing in January 2027 and providing for a conversion option into a term facility maturing in January 2028. Videotron also added two new tranches to its revolving credit facility: (i) a first tranche in the amount of US$250.0 million maturing in January 2031, and (ii) a second tranche in the amount of US$250.0 million maturing in January 2027 and providing for a conversion option into a term facility maturing in January 2028. Certain conditions of the facilities were also amended.

Financial position

Net available liquidity: $1.75 billion at March 31, 2026 for Quebecor and its wholly owned subsidiaries, consisting of a $1.50 billion unused and available revolving credit facility and $250.8 million in cash and cash equivalents.

Consolidated debt: $6.86 billion at March 31, 2026, a $64.6 million increase compared with December 31, 2025. Consolidated debt essentially consisted of Videotron's debt. There was a $65.7 million net favourable variance in the net asset related to derivative financial instruments (see "Financing activities" above).

As at March 31, 2026, minimum principal payments on long-term debt in the coming years are as follows:

Table 4
Minimum principal payments on Quebecor's long-term debt
12-month periods ended March 31
(in millions of Canadian dollars)

2027	$	508.6
2028		712.1
2029		750.0
2030		2,095.6
2031		650.0
2032 and thereafter		2,172.0
Total	**$**	**6,888.3**

From time to time, Quebecor may (but is under no obligation to) seek to retire or purchase its outstanding securities in open market purchases, privately negotiated transactions, or otherwise. Such repurchases, if any, will depend on its liquidity position and requirements, prevailing market conditions, contractual restrictions and other factors. The amounts involved may be material.

The weighted average term of Quebecor's consolidated debt was approximately 4.4 years as of March 31, 2026 (4.7 years as of December 31, 2025). After taking into account hedging instruments, the debt consisted of approximately 92.5% fixed-rate debt (92.7% at December 31, 2025) and 7.5% floating-rate debt (7.3% at December 31, 2025).

Management of the Corporation believes that cash flows and available sources of financing should be sufficient to cover committed cash requirements for capital expenditures, acquisitions of spectrum licences, working capital, interest payments, income tax payments, debt and lease repayments, share repurchases and dividend payments to shareholders. The Corporation believes it will be able to meet future debt and lease liability maturities, which are staggered over the coming years.

Pursuant to its financing agreements, the Corporation is required to maintain certain financial ratios and comply with certain financial covenants. At March 31, 2026, the Corporation was in compliance with all required financial ratios and restrictive covenants in its financing agreements.

Dividends declared

On May 13, 2026, the Board of Directors of Quebecor declared a quarterly dividend of $0.40 per share on its Class A Multiple Voting Shares (“Class A Shares”) and Class B Subordinate Voting Shares (“Class B Shares”), payable on June 23, 2026 to shareholders of record at the close of business on May 29, 2026.

Board of Directors

On February 25, 2026, Marc M. Tremblay was named a director of Quebecor and Quebecor Media. With 15 years as a member of the Corporation’s senior management team, Mr. Tremblay brings deep legal expertise and an intimate understanding of Quebecor and its business segments. His extensive experience, combined with proven leadership, makes him a valuable strategic asset to the Board.

This appointment comes at a moment of transition, as two directors—Chantal Bélanger and Érik Péladeau—have decided not to stand for re-election at the upcoming annual meeting of shareholders scheduled for May 14, 2026.

Analysis of consolidated balance sheet

Table 5
Consolidated balance sheet
Analysis of main differences between March 31, 2026 and December 31, 2025
(in millions of Canadian dollars)

	March 31, 2026[1]	Dec. 31, 2025[1]	Difference	Main reasons for difference
Assets				
Cash and cash equivalents	**$ 281.1**	$ 160.6	$ 120.5	See "Cash flows and financial position"
Accounts receivable	**995.4**	1,067.8	(72.4)	Impact of current variances in activity
Inventories	**390.6**	414.3	(23.7)	Impact of current variances in activity
Property, plant and equipment	**3,250.5**	3,282.7	(32.2)	Depreciation exceeded additions during the period
Intangible assets	**3,427.7**	3,441.9	(14.2)	Amortization exceeded additions during the period
Derivative financial instruments[2]	**90.0**	24.3	65.7	See "Financing activities"
Other assets	**892.6**	917.9	(25.3)	Impact of current variances in activity, including decreases in amounts receivable for device sales and in contract costs
Liabilities				
Accounts payable, accrued charges and provisions	**1,049.0**	1,142.2	(93.2)	Impact of current variances in activity
Long-term debt, including current portion	**6,857.7**	6,793.1	64.6	See "Financing activities"
Deferred income tax[3]	**796.0**	829.7	(33.7)	Impact of variances in activity on consolidated statement of income and consolidated statement of comprehensive income
Other liabilities	**391.0**	352.1	38.9	Increase in the provision for stock-based compensation

1 The "restricted cash" and "deferred subsidies" line items are combined for the purposes of the analysis.
2 Assets less liabilities.
3 Liabilities less assets.

ADDITIONAL INFORMATION

Contractual obligations

Material contractual obligations of the Corporation include principal repayment and interest on long-term debt and lease liabilities; capital expenditure and other commitments, including mobile devices; and obligations related to derivative financial instruments. For a summary of the Corporation's contractual obligations, please refer to Quebecor's Management Discussion and Analysis for the year ended December 31, 2025, as well as Table 4 for the update to March 31, 2026 of principal repayments on long-term debt. As of March 31, 2026, there have been no material changes in the Corporation's major contractual obligations since December 31, 2025, other than the financing transactions described in the "Financing activities" section in this report.

Related party transactions

In the first quarter of 2026, the Corporation incurred expenses to affiliated corporations in the amount of $38.1 million ($29.2 million in 2025), which are included in the purchase of goods and services, and acquired property, plant and equipment and intangible assets from affiliated corporations in the amount of $6.3 million ($10.4 million in 2025). The Corporation also made sales to affiliated corporations in the amount of $5.6 million ($7.0 million in 2025). These transactions were accounted for at the consideration agreed between parties.

Capital stock

Table 6 below presents information on the Corporation's capital stock as at April 15, 2026. In addition, 13,480,179 share options of the Corporation were outstanding as of the same date.

Table 6
Capital stock
(in shares and millions of Canadian dollars)

	April 15, 2026	
	Issued and outstanding	**Carrying value**
Class A Shares	**74,742,622**	**$ 8.3**
Class B Shares	**150,608,193**	**993.0**

On August 6, 2025, the Board of Directors of the Corporation authorized a normal course issuer bid for a maximum of 1,000,000 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, 2025. The purchases can be made from August 15, 2025 to August 14, 2026, at prevailing market prices on the open market through the facilities of the Toronto Stock Exchange or other alternative trading systems in Canada. All shares purchased under the bid will be cancelled.

On May 13, 2026, the Corporation received approval from the Toronto Stock Exchange to amend its normal course issuer bid in order to increase the maximum number of Class B Shares that may be repurchased to 7,000,000 Class B Shares, representing approximately 4.5% of the Class B Shares public float as of August 1, 2025. No other terms of the normal course issuer bid have been amended.

On August 8, 2025, the Corporation entered 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 Toronto Stock Exchange. It came into effect on August 15, 2025 and will 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 will 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.

During the three-month period ended March 31, 2026, the Corporation repurchased and cancelled 1,549,900 Class B Shares for a total cash consideration of $85.2 million (1,830,000 Class B Shares repurchased and cancelled for a total cash consideration of $60.8 million in the same period of 2025) and 6,667 Class B Shares were issued following the exercise of stock options for a total cash consideration of $0.2 million (48,444 Class B shares issued in 2025 for a total cash consideration of $1.3 million).

Financial instruments

The Corporation uses a number of financial instruments, mainly cash and cash equivalents, restricted cash, trade receivables, contract assets, long-term investments, trade payables, accrued liabilities, long-term debt, lease liabilities and derivative financial instruments.

In order to manage its foreign exchange and interest rate risks, the Corporation uses derivative financial instruments: (i) to set in CAN dollars future payments on debts denominated in U.S. dollars (interest and principal) and certain purchases of inventories and other capital expenditures denominated in a foreign currency; and (ii) to achieve a targeted balance of fixed- and floating-rate debt. The Corporation does not intend to settle its derivative financial instruments prior to their maturity, as none of these instruments is held or issued for speculative purposes.

The carrying value and fair value of long-term debt and derivative financial instruments as of March 31, 2026 and December 31, 2025 are as follows:

Table 7
Fair value of long-term debt and derivative financial instruments
(in millions of Canadian dollars)

	March 31, 2026		December 31, 2025	
Asset (liability)	**Carrying value**	**Fair value**	Carrying value	Fair value
Long-term debt[1]	**$ (6,888.3)**	**$ (6,872.5)**	$ (6,824.3)	$ (6,849.3)
Derivative financial instruments				
Foreign exchange forward contracts	**2.0**	**2.0**	(1.5)	(1.5)
Interest rate swaps	**(4.6)**	**(4.6)**	(7.2)	(7.2)
Cross-currency swaps	**92.6**	**92.6**	33.0	33.0

1 The carrying value of long-term debt excludes financing costs.

The fair value of long-term debt is estimated based on quoted market prices when available or on valuation models. When the Corporation uses valuation models, the fair value is estimated based on discounted cash flows using period-end market yields or the market value of similar instruments with the same maturity.

The fair value of derivative financial instruments recognized on the consolidated balance sheets is estimated as per the Corporation's valuation models. These models project future cash flows and discount the future amounts to a present value using the contractual terms of the derivative financial instrument and factors observable in external market data, such as period-end swap rates and foreign exchange rates. An adjustment is also included to reflect non-performance risk, impacted by the financial and economic environment prevailing at the date of the valuation, in the recognized measure of the fair value of the derivative financial instruments by applying a credit default premium, estimated using a combination of observable and unobservable inputs in the market, to the net exposure of the counterparty or the Corporation.

A $1.8 million gain was recorded under "Other comprehensive income" in the first quarter of 2026 in relation to cash flow hedging relationships ($8.0 million in 2025).

Non-IFRS financial measures

The financial measures not standardized under IFRS that are used by the Corporation to assess its financial performance, such as adjusted EBITDA, adjusted net income, adjusted cash flows from operations, free cash flows and consolidated net debt leverage ratio, are not calculated in accordance with, or recognized by, IFRS. The Corporation's method of calculating these non-IFRS financial measures may differ from the methods used by other companies and, as a result, the non-IFRS financial measures presented in this document may not be comparable to other similarly titled measures disclosed by other companies.

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, restructuring, impairment of assets and other, other items 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. This measure should not be considered in isolation or as a substitute for other performance measures 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. The Corporation's definition of adjusted EBITDA may not be the same as similarly titled measures reported by other companies.

Table 8 provides a reconciliation of adjusted EBITDA to net income as disclosed in Quebecor's condensed consolidated financial statements.

Table 8
Reconciliation of adjusted EBITDA to the net income measure used in the condensed consolidated financial statements
(in millions of Canadian dollars)

	Three months ended March 31	
	2026	2025
Adjusted EBITDA (negative adjusted EBITDA):		
Telecommunications	**$ 619.6**	$ 581.4
Media	**(2.2)**	(18.6)
Sports and Entertainment	**1.8**	3.5
Head Office	**(42.6)**	(16.7)
	576.6	549.6
Depreciation and amortization	**(209.4)**	(215.3)
Financial expenses	**(76.2)**	(92.5)
Restructuring, impairment of assets and other	**(4.1)**	(3.3)
Other items	**9.4**	6.6
Income taxes	**(72.2)**	(60.8)
Net income	**$ 224.1**	$ 184.3

Adjusted net income

The Corporation defines adjusted net income, as reconciled to net income attributable to shareholders under IFRS, as net income attributable to shareholders before restructuring, impairment of assets and other, and other items, net of income tax related to adjustments and net income attributable to non-controlling interest related to adjustments. Adjusted net income 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 net income 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 net income is more representative for forecasting income. The Corporation's definition of adjusted net income may not be the same as similarly titled measures reported by other companies.

Table 9 provides a reconciliation of adjusted net income to the net income attributable to shareholders' measure used in Quebecor's condensed consolidated financial statements.

Table 9
Reconciliation of adjusted net income to the net income attributable to shareholders measure used in the condensed consolidated financial statements
(in millions of Canadian dollars)

	Three months ended March 31	
	2026	2025
Adjusted net income	**$ 219.5**	$ 185.1
Restructuring, impairment of assets and other	**(4.1)**	(3.3)
Other items	**9.4**	6.6
Income taxes related to adjustments[1]	**0.3**	1.9
Non-controlling interest related to adjustments	**0.3**	0.4
Net income attributable to shareholders	**$ 225.4**	$ 190.7

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

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

Free cash flows 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 is used by the Corporation's management and Board of Directors to evaluate cash flows generated by the Corporation's operations. Free cash flows 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 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 may not be identical to similarly titled measures reported by other companies.

Tables 10 and 11 provide a reconciliation of adjusted cash flows from operations and free cash flows to cash flows provided by operating activities reported in the condensed consolidated financial statements.

Table 10
Adjusted cash flows from operations
(in millions of Canadian dollars)

	Three months ended March 31	
	2026	2025
Adjusted EBITDA (negative adjusted EBITDA)		
Telecommunications	**$ 619.6**	$ 581.4
Media	**(2.2)**	(18.6)
Sports and Entertainment	**1.8**	3.5
Head Office	**(42.6)**	(16.7)
	576.6	549.6
Minus		
Capital expenditures:[1]		
Telecommunications	**(130.3)**	(142.2)
Media	**(1.2)**	(2.9)
Sports and Entertainment	**(1.3)**	(1.2)
Head Office	**(0.1)**	–
	(132.9)	(146.3)
Adjusted cash flows from operations		
Telecommunications	**489.3**	439.2
Media	**(3.4)**	(21.5)
Sports and Entertainment	**0.5**	2.3
Head Office	**(42.7)**	(16.7)
	$ 443.7	$ 403.3

[1] **Reconciliation to cash flows used for capital expenditures as per condensed consolidated financial statements**	Three months ended March 31	
	2026	2025
Capital expenditures	**$ (132.9)**	$ (146.3)
Net variance in current operating items related to capital expenditures (excluding government credits receivable for large investment projects)	**(52.5)**	(36.2)
Cash flows used for capital expenditures	**$ (185.4)**	$ (182.5)

Table 11
Free cash flows and cash flows provided by operating activities reported in the condensed consolidated financial statements
(in millions of Canadian dollars)

	Three months ended March 31	
	2026	2025
Adjusted cash flows from operations from Table 10	**$ 443.7**	$ 403.3
Plus (minus)		
Cash portion of financial expenses	**(74.0)**	(90.2)
Cash portion of restructuring, impairment of assets and other	**(3.8)**	(3.3)
Current income taxes	**(107.0)**	(75.2)
Other	**(0.5)**	(0.4)
Net change in non-cash balances related to operating activities	**29.6**	39.8
Net variance in current operating items related to capital expenditures (excluding government credits receivable for large investment projects)	**(52.5)**	(36.2)
Free cash flows	**235.5**	237.8
Plus (minus)		
Cash flows used for capital expenditures (excluding spectrum license acquisitions)	**185.4**	182.5
Proceeds from disposal of assets	**(0.6)**	(0.1)
Cash flows provided by operating activities	**$ 420.3**	$ 420.2

Consolidated net debt leverage ratio

The consolidated net debt leverage ratio represents consolidated net debt divided by the trailing 12-month adjusted EBITDA. Consolidated net debt represents total long-term debt plus 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 decisions on the Corporation's capital structure, including its financing strategy, and in managing debt maturity risks. 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 12 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 12
Consolidated net debt leverage ratio
(in millions of Canadian dollars)

	March 31, 2026	Dec. 31, 2025
Total long-term debt[1]	**$ 6,888.3**	$ 6,824.3
Plus (minus)		
Lease liabilities[2]	**412.2**	410.6
Derivative financial instruments[3]	**(90.0)**	(24.3)
Cash and cash equivalents	**(281.1)**	(160.6)
Consolidated net debt	**6,929.4**	7,050.0
Divided by:		
Trailing 12-month adjusted EBITDA	**$ 2,420.2**	$ 2,393.2
Consolidated net debt leverage ratio	**2.86x**	2.95x

1 Excluding financing costs.
2 Total liabilities.
3 Assets less liabilities.

Key performance indicators

Revenue-generating unit

The Corporation uses RGU, an industry metric, as a key performance indicator. An RGU represents a subscriber connection to the mobile or wireline telephony service or a subscription to the Internet access or television service. 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.

Average monthly mobile revenue per unit

The Corporation uses mobile ARPU, an industry metric, as a key performance indicator. This indicator is calculated by dividing mobile telephony revenues by the average number of mobile RGUs during the applicable period, and then dividing the resulting amount by the number of months in the applicable period. Mobile ARPU is not a measurement that is consistent with IFRS and the Corporation's definition and calculation of mobile ARPU may not be the same as identically titled measurements reported by other companies.

Controls and procedures

The purpose of internal controls over financial reporting is to provide reasonable assurance as to the reliability of the Corporation's financial reporting and the preparation of its consolidated financial statements in accordance with IFRS.

There have not been any changes in internal controls over financial reporting during the three months ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, the Corporation's internal controls over financial reporting.

Additional information

The Corporation is a reporting issuer subject to the securities laws of all Canadian provinces and is therefore required to file financial statements, a proxy circular and an annual information form with the various securities commissions. Copies of those documents are available free of charge from the Corporation on request at www.quebecor.com and on the SEDAR+ website at www.sedarplus.ca.

Cautionary statement regarding forward-looking statements

The statements in this report that are not historical facts are forward-looking statements and are subject to significant known and unknown risks, uncertainties and assumptions that could cause Quebecor's actual results for future periods to differ materially from those set forth in 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. Some important factors that could cause actual results to differ materially from those expressed in these forward-looking statements include, but are not limited to:

- Quebecor's ability to continue successfully developing its network and the facilities that support its mobile services;
- general economic climate, financial and economic market conditions, global business challenges, such as tariffs and trade barriers, as well as market conditions and variations in the businesses of local, regional and national advertisers in Quebecor's newspapers, television outlets and other media properties;
- Quebecor's ability to implement its business and growth strategies successfully;
- the intensity of competitive activity in the industries in which Quebecor operates and its ability to penetrate new markets and successfully develop its business, including in growth sectors and new geographies;
- fragmentation of the media landscape and its impact on the advertising market and the media properties of Quebecor;
- new technologies that might change consumer behaviour with respect to Quebecor's product suites;
- impacts related to cybersecurity and the protection of personal information;
- unanticipated higher capital spending required for developing Quebecor's network or to address the continued development of competitive alternative technologies, or the inability to obtain additional capital to continue the development of Quebecor's business segments;
- the impacts of the significant and recurring investments that will be required for development and expansion and to compete effectively with the incumbent local exchange carriers and other current or potential competitors in the Telecommunications segment's target markets;
- disruptions to the network through which Quebecor provides its television, Internet access, mobile and wireline telephony and OTT video services, and its ability to protect such services against piracy, unauthorized access and other security breaches;
- labour disputes and strikes, service interruptions resulting from equipment breakdown, network failure, the threat of natural disasters, epidemics, public-health crises and political instability in some countries;
- changes in Quebecor's ability to obtain services and equipment critical to its operations;
- impacts related to environmental issues;
- changes in laws and regulations, or in their interpretations, which could result, among other things, in increased competition, changes in Quebecor's markets, increased operating expenses, capital expenditures or tax expenses, or a reduction in the value of some assets; and
- Quebecor's indebtedness, interest rate and exchange rate fluctuations, the tightening of credit markets and the restrictions on its business imposed by the terms of its debt.

The forward-looking statements in this document are made to provide investors and the public with a better understanding of the Corporation's circumstances and are based on assumptions it believes to be reasonable as of the day on which they are made. 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 the Corporation's actual results to differ from current expectations, please refer to the Corporation'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, 2025.

The forward-looking statements in this document reflect the Corporation's expectations as of May 13, 2026, and are subject to change after that 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.

Montréal, Québec
May 13, 2026

QUEBECOR INC.

SELECTED QUARTERLY FINANCIAL DATA

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

	2026	2025				2024		
	March 31	Dec. 31	Sept. 30	June 30	March 31	Dec. 31	Sept. 30	June 30
Revenues	**$ 1,395.2**	$ 1,546.3	$ 1,405.5	$ 1,380.4	$ 1,343.1	$ 1,499.0	$ 1,389.7	$ 1,386.9
Adjusted EBITDA	**576.6**	610.4	628.1	605.1	549.6	589.0	594.1	624.9
Adjusted cash flows from operations	**443.7**	424.9	462.4	452.8	403.3	446.3	435.3	449.7
Adjusted net income	**219.5**	226.2	241.6	226.8	185.1	186.6	192.2	205.1
Adjustments [1] :								
Restructuring, impairment of assets and other	**(2.7)**	(6.4)	(5.6)	(11.1)	(2.0)	(11.9)	(3.8)	(10.1)
Other items	**8.6**	(8.3)	0.1	2.0	7.6	3.0	0.9	12.6
Net income attributable to shareholders	**225.4**	211.5	236.1	217.7	190.7	177.7	189.3	207.6
Data per share								
Adjusted net income	**$ 0.97**	$ 0.99	$ 1.05	$ 0.99	$ 0.80	$ 0.80	$ 0.82	$ 0.89
Adjustments [1] :								
Restructuring, impairment of assets and other	**(0.01)**	(0.03)	(0.02)	(0.05)	(0.01)	(0.05)	(0.01)	(0.04)
Other items	**0.04**	(0.03)	-	0.01	0.03	0.01	-	0.05
Net income attributable to shareholders	**1.00**	0.93	1.03	0.95	0.82	0.76	0.81	0.90
Weighted average number of shares outstanding (in millions)	**226.3**	227.9	229.3	230.0	231.3	232.9	234.3	230.8

[1] Net of income taxes and non-controlling interest related to adjustments