

QUEBECOR



Supplementary Disclosure

**Quarter / 9-Month Period
Ended September 30, 2018**

For additional information, please contact
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QUEBECOR INC.

Supplementary Disclosure September 30, 2018 Net Income Attributable to Shareholders

	3rd Quarter		YTD	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Net income per share (basic)	\$0.80	\$0.74	\$1.22	\$1.32
Net income, before gains and losses on valuation and translation of financial instruments, unusual items and discontinued operations	\$0.61	\$0.43	\$1.44	\$1.10

Reconciliation of earnings per share

	3rd Quarter		YTD	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Net income per share, before gains and losses on valuation and translation of financial instruments, unusual items and discontinued operations	\$0.61	\$0.43	\$1.44	\$1.10
Other adjustments ¹ :				
Unusual items	(0.05)	0.62	(0.02)	0.95
Gains (loss) on valuation and translation of financial instruments	0.24	(0.33)	(0.20)	(0.78)
Discontinued operations	-	0.02	-	0.05
Total	0.19	0.31	(0.22)	0.22
Reported net income per share (basic)	\$0.80	\$0.74	\$1.22	\$1.32

¹ After taxes and non-controlling interest.

QUEBECOR INC.

Supplementary Disclosure September 30, 2018 Debt

(all amounts in millions of Canadian dollars)

Quebecor Inc.

Revolving credit facility due in 2019 (availability: \$300)	\$	-
Mortgage loan due in 2022		48.8
	\$	48.8

Quebecor Media Inc.

Revolving credit facility due in 2020 (availability: \$300)	\$	-
Term Loan B due in 2020		428.5
5 3/4% Senior Notes due in 2023		1,097.2
6 5/8% Senior Notes due in 2023		500.0
		2,025.7

Videotron Ltd.

Revolving credit facility due in 2021 (availability: \$965)		719.9
5% Senior Notes due in 2022		1,032.6
5 3/8% Senior Notes due in 2024		774.5
5 5/8% Senior Notes due in 2025		400.0
5 3/4% Senior Notes due in 2026		375.0
5 1/8% Senior Notes due in 2027		774.5
		4,076.5

TVA Group Inc.

Revolving credit facility due in 2019 (availability: \$150)		-
Term Loan due in 2019		55.8
		55.8

Other debt

		-
Total Quebecor Media Inc.	\$	6,158.0

TOTAL LONG TERM DEBT

Bank indebtedness - QI		0.1
Bank indebtedness - QMI		21.6
Exchangeable debentures - QI		2.1
Convertible debentures due in 2018 (cost if settled in cash at maturity) - QI ¹		780.4
Convertible debentures due in 2024 (cost if settled in cash at maturity) - QI ¹		144.7
Liability (asset) related to cross-currency interest rate swaps (FX rate differential) - QI ²		-
Liability (asset) related to cross-currency interest rate swaps (FX rate differential) - QMI ²		(665.1)

Cash and cash equivalents :

Quebecor Inc.		-
Quebecor Media Inc.		22.9
Videotron Ltd.	\$	1.0
Other 100% owned subsidiaries		1.9
TVA Group Inc.		20.0
	\$	22.9

¹ Based on the market value of a number of shares obtained by dividing the outstanding principal amount by the market price of a Quebecor Inc.

Class B share on September 30, 2018, subject to a floor price of \$9.625 and a ceiling price of \$12.03125 for the convertible debentures due in 2018 and subject to a floor price of \$26.85 and a ceiling price of \$33.5625 for the convertible debentures due in 2024.

² Classified as "Derivative financial instruments" in Quebecor Media Inc. and Quebecor Inc.'s balance sheets.

TELECOMMUNICATIONS

Supplementary Disclosure September 30, 2018 Operating Results

	<u>2018</u>			<u>2017</u>		
	<u>Sep 30</u>	<u>Jun 30</u>	<u>Mar 31</u>	<u>Dec 31</u>	<u>Sep 30</u>	
Revenue-Generating Units ('000) ¹	5,955.9	5,899.4	5,900.4	5,881.1	5,846.2	
Mobile Telephony Lines ('000)	1,120.7	1,079.2	1,047.3	1,024.0	990.3	
Homes Passed ('000)	2,900.2	2,891.7	2,879.5	2,873.7	2,867.4	
Cable Internet Subscribers ('000)	1,697.5	1,674.1	1,674.6	1,666.5	1,654.1	
Penetration of Homes Passed	58.5%	57.9%	58.2%	58.0%	57.7%	
Basic Subscribers ('000)	1,603.7	1,606.0	1,625.5	1,640.5	1,649.0	
Penetration of Homes Passed	55.3%	55.5%	56.5%	57.1%	57.5%	
Digital Set-Top Boxes ('000)	2,881.9	2,884.2	2,910.2	2,925.6	2,867.1	
Digital Subscribers ('000)	1,603.7	1,606.0	1,625.5	1,640.5	1,603.9	
Penetration of Homes Passed	55.3%	55.5%	56.5%	57.1%	55.9%	
Cable Telephony Lines ('000)	1,131.1	1,148.2	1,169.6	1,188.5	1,205.4	
Penetration of Homes Passed	39.0%	39.7%	40.6%	41.4%	42.0%	
Over-the-Top Video Subscribers ('000)	402.9	391.9	383.4	361.6	347.4	
	<u>3rd Quarter</u>			<u>YTD</u>		
	<u>2018</u>	<u>2017</u>	<u>VAR</u>	<u>2018</u>	<u>2017</u>	<u>VAR</u>
(in millions)						
Revenues						
Cable Television	\$247.6	\$252.0	-1.7%	\$747.7	\$756.1	-1.1%
Internet	272.0	260.7	4.3%	805.2	767.8	4.9%
Mobile Telephony	138.3	119.5	15.7%	394.9	346.3	14.0%
Cable Telephony	91.0	98.2	-7.3%	278.8	301.0	-7.4%
Business	32.4	30.9	4.9%	95.8	93.8	2.1%
Other	77.2	66.9	15.4%	203.9	191.6	6.4%
Videotron	858.5	828.2	3.7%	2,526.3	2,456.6	2.8%
Retail and Eliminations	1.3	1.4	-7.1%	4.1	4.6	-10.9%
Total Telecommunications Revenues	\$859.8	\$829.6	3.6%	\$2,530.4	\$2,461.2	2.8%
EBITDA						
Videotron	\$425.6	\$390.0	9.1%	\$1,258.1	\$1,170.9	7.4%
Retail	0.2	0.2	0.0%	0.8	1.0	-20.0%
Total Telecommunications EBITDA	\$425.8	\$390.2	9.1%	\$1,258.9	\$1,171.9	7.4%
Additions to PP&E and Intangible Assets (NCTA Standard Reporting Categories)						
Customer Premise Equipment	\$61.0	\$54.6		\$169.6	\$175.7	
Scalable Infrastructure	37.8	32.9		136.5	143.9	
Line Extensions	15.1	20.2		57.2	47.9	
Upgrade / Rebuild	10.2	14.7		36.7	44.5	
Support Capital and Other	34.8	39.1		113.0	116.9	
Total Telecommunications	\$158.9	\$161.5	-1.6%	\$513.0	\$528.9	-3.0%
Mobile Telephony ABPU ²	\$54.28	\$53.34		\$53.75	\$53.11	
Total ABPU ²	\$49.70	\$48.50		\$49.40	\$48.01	

¹ Revenue-generating units are the sum of subscriptions to the cable television, cable Internet access and Club illico over-the-top video service, plus subscriber connections to the cable and mobile telephony services.

² Average billing per unit (" ABPU ") is an indicator used to measure monthly average subscription billing per average revenue-generating unit.

MEDIA

Supplementary Disclosure September 30, 2018 Operating Results

	3rd Quarter			YTD		
	2018	2017	VAR	2018	2017	VAR
Lineage ('000)						
Paid Urban Dailies	5,031	5,590	-10.0%	16,377	17,155	-4.5%
(in millions)						
Revenues						
Advertising	\$17.2	\$21.0	-18.1%	\$55.5	\$63.7	-12.9%
Circulation	9.6	9.8	-2.0%	29.1	29.6	-1.7%
Digital	2.9	3.1	-6.5%	9.0	9.7	-7.2%
Other	12.0	11.2	7.1%	35.9	34.5	4.1%
Newspaper Publishing Revenues	41.7	45.1	-7.5%	129.5	137.5	-5.8%
Advertising	46.6	51.1	-8.8%	176.9	192.5	-8.1%
Subscription	31.4	32.3	-2.8%	94.4	96.7	-2.4%
Other	10.7	10.7	0.0%	33.0	32.9	0.3%
Broadcasting Revenues	88.7	94.1	-5.7%	304.3	322.1	-5.5%
Other ¹	40.5	47.6	-14.9%	96.8	110.8	-12.6%
Total Media Revenues	\$170.9	\$186.8	-8.5%	\$530.6	\$570.4	-7.0%
EBITDA						
Newspaper Publishing	\$2.9	\$2.5	16.0%	\$2.8	\$3.9	-28.2%
Broadcasting	16.7	19.9	-16.1%	10.8	25.6	-57.8%
Other	10.0	13.3	-24.8%	14.2	17.4	-18.4%
Total Media EBITDA	\$29.6	\$35.7	-17.1%	\$27.8	\$46.9	-40.7%

¹ Includes the publishing of magazines, the operation of an out-of-home advertising business and the operation of studio, soundstage and equipment leasing and post-production services for the film and television industries.

QUEBECOR INC.

Supplementary Disclosure September 30, 2018 Shares Held in Subsidiaries

	Number of shares	Equity (%)	Voting (%)
<u>Shares held by Quebecor Inc.</u>			
Quebecor Media Inc.	79,377,062	100.0%	100.0%
<u>Shares held by Quebecor Media Inc.</u>			
TVA Group Inc.	29,539,364	68.4%	99.9%

QUEBECOR INC.

Supplementary Disclosure September 30, 2018 Note to Investors

Note to Investors

Investors should note that this Supplementary Disclosure document presents financial information for Quebecor Inc. on a consolidated basis as well as for Quebecor Media Inc. and two of its reporting segments: Telecommunications and Media. The financial figures included in this document are reported in Canadian dollars.

Detailed Financial Information

For a detailed analysis of Quebecor Inc.'s results for the third quarter of 2018, please refer to the Management Discussion and Analysis and Condensed Consolidated Financial Statements of Quebecor Inc., available on the Company's website at http://www.quebecor.com/en/quarterly_doc_quebecor_inc or from the SEDAR filing service at <http://www.sedar.com>.

Non-IFRS Financial Measures

The non-IFRS financial measures used by the Corporation to assess its financial performance, such as adjusted EBITDA, adjusted income from continuing operating activities, cash flows from segment operations and free cash flows from continuing operating activities of the Quebecor Media subsidiary 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. We refer investors to our Management Discussion and Analysis for the third quarter of 2018 under "Non-IFRS Financial Measures" for a complete description of these measures as well as a reconciliation to the most directly comparable measure calculated in accordance with IFRS.