



BCE Q1 2025 Results Conference Call

Thursday, May 8th, 2025 – 8:00 AM ET

Corporate Participants

Mirko Bibic

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Chief Executive Officer

Curtis Millen

Executive Vice President
Chief Financial Officer

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain statements made by BCE's President and Chief Executive Officer and Executive Vice President and Chief Financial Officer during BCE's Q1 2025 Results Conference Call, as reflected in this transcript, are forward-looking statements. These statements include, without limitation, statements relating to BCE's 2025 financial guidance (including revenue, adjusted EBITDA, capital intensity, adjusted EPS, free cash flow and annualized common share dividend), BCE's strategic and operational roadmap and ongoing business transformation, BCE's objective to create long-term value for its shareholders, the proposed acquisition of Northwest Fiber Holdco, LLC (doing business as Ziplly Fiber (Ziplly Fiber)), the expected timing and completion thereof, the sources of liquidity we expect to use to fund the proposed acquisition of Ziplly Fiber, certain potential benefits expected to result from the proposed acquisition, including the expected effect of the proposed acquisition on BCE's revenue and adjusted EBITDA growth profiles, Ziplly Fiber's expected number of fibre locations at acquisition close and fibre expansion locations in its remaining copper footprint, Ziplly Fiber's target number of fibre locations to be reached by the end of 2028 as well as their expected funding, and the U.S. fibre market growth platform expected to be provided by Ziplly Fiber, the formation of Network FiberCo, a strategic partnership with Public Sector Pension Investment Board (PSP Investments) to accelerate the development of fibre infrastructure through Ziplly Fiber in underpenetrated markets in the United States, certain potential benefits expected to result from the formation of the strategic partnership, such as the expected funding of the strategic partnership, the future deployment of targeted fibre passings, the potential total number of combined BCE-Ziplly Fiber-Network FiberCo fibre locations to be reached over the long term and impact on BCE's position as North America's third-largest fiber Internet provider, the expected effect of the strategic partnership on Ziplly Fiber's growth profile as well as on BCE's investment returns, balance sheet, revenue and adjusted EBITDA growth profiles, the expected improvement of BCE's free cash flow profile by over \$1 billion from 2026 to 2028, the combined BCE-Ziplly Fiber capital intensity ratio expected to result from the formation of the strategic partnership as well as following the completion of fibre expansion locations in Ziplly Fiber's remaining copper footprint, BCE's initiatives and tools to improve customer experience, and the expected impact therefrom on customer satisfaction, churn and ultimately, customer lifetime value and financial performance, BCE's goal to reach \$1 billion of business technology solutions revenue by 2030, Bell Media's expectations regarding growth in the digital advertising market and its overall growth prospects, Bell Media's digital media and content priorities, including its goal to reach 6 million Crave subscribers by 2028, BCE's anticipated reductions in capital expenditures in 2025 and its goal to reach \$1.5 billion in cost savings through its business transformation initiatives by 2028, the proposed disposition of Northwestel Inc. (Northwestel), the proposed disposition of BCE's ownership stake in Maple Leaf Sports and Entertainment Ltd. (MLSE) and the intended use by BCE of the proceeds therefrom, the anticipated aggregate amount of proceeds to be generated from the divestiture of non-core assets, including from the planned divestitures of Northwestel and BCE's ownership stake in MLSE, processes launched for additional divestitures and the expected use of any proceeds therefrom, BCE's capital allocation strategy, annualized common share dividend and expected

long-term common share dividend payout policy target range, certain benefits expected to result from BCE's new annualized common share dividend rate and revised dividend payout policy target range, and expected use of the cash savings stemming from the reduced level of common share dividend, BCE's net debt leverage policy target and net debt leverage ratio levels targeted by the end of 2027 and 2030, the effect of the assumption by BCE of Zply Fiber's debt on BCE's net debt leverage ratio, the termination of the discounted treasury issuances under BCE's Shareholder Dividend Reinvestment and Stock Purchase Plan (DRP), BCE's business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. Forward-looking statements are typically identified by the words "assumption", "goal", "guidance", "objective", "outlook", "project", "strategy", "target", "commitment" and other similar expressions or future or conditional verbs such as "aim", "anticipate", "believe", "could", "expect", "intend", "may", "plan", "seek", "should", "strive" and "will". All such forward-looking statements are made pursuant to the 'safe harbour' provisions of applicable Canadian securities laws and of the United States *Private Securities Litigation Reform Act of 1995*.

Forward-looking statements, by their very nature, are subject to inherent risks and uncertainties and are based on several assumptions, both general and specific, which give rise to the possibility that actual results or events could differ materially from our expectations expressed in or implied by such forward-looking statements and that our business outlook, objectives, plans and strategic priorities may not be achieved. These statements are not guarantees of future performance or events, and we caution you against relying on any of these forward-looking statements. The forward-looking statements contained in this transcript describe our expectations as of May 8, 2025 and, accordingly, are subject to change after such date. Except as may be required by applicable securities laws, we do not undertake any obligation to update or revise any forward-looking statements contained in this transcript, whether as a result of new information, future events or otherwise. We regularly consider potential acquisitions, dispositions, mergers, business combinations, investments, monetizations, joint ventures and other transactions, some of which may be significant. Except as otherwise indicated by us, forward-looking statements do not reflect the potential impact of any such transactions or of special items that may be announced or that may occur after May 8, 2025. The financial impact of these transactions and special items can be complex and depends on the facts particular to each of them. We therefore cannot describe the expected impact in a meaningful way or in the same way we present known risks affecting our business. Forward-looking statements were made during BCE's Q1 2025 Results Conference Call for the purpose of assisting investors and others in understanding certain key elements of our expected financial results, as well as our objectives, strategic priorities and business outlook, and in obtaining a better understanding of our anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes. The forward-looking statements made during BCE's Q1 2025 Results Conference Call for periods beyond 2025 assume, unless otherwise indicated, that the economic, market, operational and financial assumptions as well as the material risk factors described in this transcript will remain substantially unchanged during such periods.

Material Assumptions

A number of economic, market, operational and financial assumptions were made by BCE in preparing its forward-looking statements contained in this transcript, including, but not limited to the following:

Canadian Economic Assumptions

Our forward-looking statements are based on certain assumptions concerning the Canadian economy. Given the unpredictability of global trade disputes, and the speed and magnitude of the shifts, the economic outlook is highly uncertain. Trade policy uncertainty is making it difficult for households, businesses and governments to plan. It is also difficult to project how U.S. tariffs on Canada and retaliatory tariffs imposed by Canada on U.S. goods will affect the economy. It is unusually challenging to project economic activity and consumer price index (CPI) inflation in Canada. As a result, we have assumed a range of outcomes that consider different trade policy outcomes and scenarios:

- Slowing economic growth, given the Bank of Canada's most recent estimated growth in Canadian gross domestic product of 0.8% or 1.6% in 2025 depending on two scenarios for how U.S. trade policy could unfold, both of which represent a decrease from the earlier estimate of 1.8%
- Slower population growth because of government policies designed to slow immigration
- Slowdown in consumer spending reflecting a decline in consumer confidence
- Slowing business investment, particularly by businesses in sectors most reliant on U.S. markets
- Stable to higher level of CPI inflation
- Ongoing labour market softness
- Interest rates expected to remain at or near current levels
- Canadian dollar expected to remain near current levels. Further movements may be impacted by the degree of strength of the U.S. dollar, interest rates and changes in commodity prices.

Canadian Market Assumptions

Our forward-looking statements also reflect various Canadian market assumptions. In particular, we have made the following market assumptions:

- A higher level of wireline and wireless competition in consumer, business and wholesale markets
- Higher, but slowing, wireless industry penetration
- A shrinking data and voice connectivity market as business customers migrate to lower-priced telecommunications solutions or alternative over-the-top (OTT) competitors
- The Canadian traditional TV and radio advertising markets are expected to be impacted by audience declines as the advertising market growth continues to shift towards digital
- Declines in broadcasting distribution undertaking (BDU) subscribers driven by increasing competition from the continued rollout of subscription video on demand (SVOD) streaming services together with further scaling of OTT aggregators

Assumptions Concerning our Bell CTS Segment

Our forward-looking statements are also based on the following internal operational assumptions with respect to our Bell CTS segment:

- Stable or slight decrease in our market share of national operators' wireless mobile phone net additions as we manage increased competitive intensity and promotional activity across all regions and market segments
- Ongoing expansion and deployment of Fifth Generation (5G) and 5G+ wireless networks, offering competitive coverage and quality
- Continued diversification of our distribution strategy with a focus on expanding direct-to-consumer (DTC) and online transactions
- Slightly declining mobile phone blended average revenue per user (ARPU) due to competitive pricing pressure
- Continuing business customer adoption of advanced 5G, 5G+ and Internet of Things (IoT) solutions
- Continued scaling of technology services from recent acquisitions made in the enterprise market through leveraging our sales channels with the acquired businesses' technical expertise
- Improving wireless handset device availability in addition to stable device pricing and margins
- Moderating deployment of direct fibre to incremental homes and businesses within our wireline footprint
- Continued growth in retail Internet subscribers
- Increasing wireless and Internet-based technological substitution
- Continued focus on the consumer household and bundled service offers for mobility, Internet and content services
- Continued large business customer migration to Internet protocol (IP)-based systems
- Ongoing competitive repricing pressures in our business and wholesale markets
- Traditional high-margin product categories challenged by large global cloud and OTT providers of business voice and data solutions expanding into Canada with on-demand services, which, in many cases, are also sold as a service by Bell Business Markets (BBM) to ensure continuity of customer relationships and adjacent revenue growth opportunities
- Increasing customer adoption of OTT services resulting in downsizing of television (TV) packages and fewer consumers purchasing BDU subscriptions services
- Realization of cost savings related to operating efficiencies enabled by our direct fibre footprint, changes in consumer behaviour and product innovation, digital and AI adoption, product and service enhancements, expanding self-serve capabilities, new call centre and digital investments, other improvements to the customer service experience, management workforce reductions including attrition and retirements, and lower contracted rates from our suppliers
- No adverse material financial, operational or competitive consequences of changes in or implementation of regulations affecting our communication and technology services business

Assumptions Concerning our Bell Media Segment

Our forward-looking statements are also based on the following internal operational assumptions with respect to our Bell Media segment:

- Overall digital revenue expected to reflect scaling of Connected TV, DTC advertising and subscriber growth, as well as digital growth in our out-of-home (OOH) business contributing towards the advancement of our digital-first media strategy
- Leveraging of first-party data to improve targeting, advertisement delivery including personalized viewing experience and attribution
- Continued escalation of media content costs to secure quality content
- Continued scaling of Crave, TSN, TSN+ and RDS through expanded distribution, optimized content offering and user experience improvements
- Continued support in original French content with a focus on digital platforms such as Crave, Noovo.ca and iHeartRadio Canada, to better serve our French-language customers through a personalized digital experience
- Ability to successfully acquire and produce highly-rated programming and differentiated content
- Building and maintaining strategic supply arrangements for content across all screens and platforms
- No adverse material financial, operational or competitive consequences of changes in or implementation of regulations affecting our media business

Financial Assumptions Concerning BCE

Our forward-looking statements are also based on the following internal financial assumptions with respect to BCE for 2025:

- An estimated post-employment benefit plans service cost of approximately \$205 million
- An estimated net return on post-employment benefit plans of approximately \$100 million
- Depreciation and amortization expense of approximately \$5,100 million to \$5,150 million
- Interest expense of approximately \$1,775 million to \$1,825 million
- Interest paid of approximately \$1,850 million to \$1,900 million
- An average effective tax rate of approximately 17%
- Non-controlling interest of approximately \$60 million
- Contributions to post-employment benefit plans of approximately \$40 million
- Payments under other post-employment benefit plans of approximately \$60 million
- Income taxes paid (net of refunds) of approximately \$700 million to \$800 million
- Weighted average number of BCE common shares outstanding of approximately 935 million
- An annualized common share dividend of \$1.75 per share

Assumptions underlying expected continuing contribution holiday in 2025 in the majority of our pension plans

We have made the following principal assumptions underlying the expected continuing contribution holiday in 2025 in the majority of our pension plans:

- At the relevant time, our defined benefit (DB) pension plans will remain in funded positions with going concern surpluses and maintain solvency ratios that exceed the minimum legal requirements for a contribution holiday to be taken for applicable DB and defined contribution (DC) components
- No significant declines in our DB pension plans' financial position due to declines in investment returns or interest rates
- No material experience losses from other events such as through litigation or changes in laws, regulations or actuarial standards

The foregoing assumptions, although considered reasonable by BCE on May 8, 2025, may prove to be inaccurate. Accordingly, our actual results could differ materially from our expectations as set forth in this transcript.

Material Risks

Important risk factors that could cause our assumptions and estimates to be inaccurate and actual results or events to differ materially from those expressed in, or implied by, our forward-looking statements, including our 2025 guidance, are listed below. The realization of our forward-looking statements, including our ability to meet our 2025 guidance targets, essentially depends on our business performance, which, in turn, is subject to many risks. Accordingly, readers are cautioned that any of the following risks could have a material adverse effect on our forward-looking statements. These risks include, but are not limited to: the negative effect of adverse economic conditions, including from trade tariffs and other protective government measures, including the imposition of U.S. tariffs on imports from Canada and retaliatory tariffs by the Canadian government on goods coming from the U.S., recessions, inflation, reductions in immigration levels, high housing support costs relative to income, and financial and capital market volatility, and the resulting negative impact on customer spending and the demand for our products and services, higher costs and supply chain disruptions; the negative effect of adverse conditions associated with geopolitical events; the intensity of competitive activity and the failure to effectively respond to evolving competitive dynamics; the level of technological substitution and the presence of alternative service providers contributing to disruptions and disintermediation in each of our business segments; changing customer behaviour and the expansion of cloud-based, over-the-top (OTT) and other alternative solutions; advertising market pressures from economic conditions, fragmentation and non-traditional/global digital services; rising content costs and challenges in our ability to acquire or develop key content; high Canadian Internet and smartphone penetration; regulatory initiatives, proceedings and decisions, government consultations and government positions that negatively affect us and influence our business including, without limitation, concerning mandatory access to networks, spectrum auctions, the imposition of consumer-related codes of conduct, approval of acquisitions, broadcast and spectrum licensing, foreign ownership requirements, privacy and cybersecurity obligations and control of copyright piracy; the inability to implement enhanced compliance frameworks and to comply with legal and regulatory obligations; unfavourable resolution of legal proceedings; the failure to evolve and

transform our networks, systems and operations using next-generation technologies while lowering our cost structure, including the failure to meet customer expectations of product and service experience; the inability to drive a positive customer experience; the inability to protect our physical and non-physical assets from events such as information security attacks, unauthorized access or entry, fire and natural disasters; the failure to implement an effective security and data governance framework; the risk that we may need to incur significant capital expenditures to provide additional capacity and reduce network congestion; service interruptions or outages due to network failures or slowdowns; events affecting the functionality of, and our ability to protect, test, maintain, replace and upgrade, our networks, information technology (IT) systems, equipment and other facilities; the failure by other telecommunications carriers on which we rely to provide services to complete planned and sufficient testing, maintenance, replacement or upgrade of their networks, equipment and other facilities, which could disrupt our operations including through network or other infrastructure failures; the complexity of our operations and IT systems and the failure to implement, maintain or manage highly effective processes and IT systems; in-orbit and other operational risks to which the satellites used to provide our satellite television (TV) services are subject; the failure to attract, develop and retain a talented team capable of furthering our strategic imperatives and operational transformation; the potential deterioration in employee morale and engagement resulting from staff reductions, cost reductions or reorganizations and the de-prioritization of transformation initiatives due to staff reductions, cost reductions or reorganizations; the failure to adequately manage health and safety concerns; labour disruptions and shortages; the inability to access adequate sources of capital and generate sufficient cash flows from operating activities to meet our cash requirements, fund capital expenditures and provide for planned growth; uncertainty as to whether our dividend payout policy will be maintained or achieved, or that the dividend on common shares will be maintained or dividends on any of BCE's outstanding shares will be declared by BCE's board of directors (BCE Board); the failure to reduce costs and adequately assess investment priorities, as well as unexpected increases in costs; the inability to manage various credit, liquidity and market risks; the failure to evolve practices to effectively monitor and control fraudulent activities; new or higher taxes due to new tax laws or changes thereto or in the interpretation thereof, and the inability to predict the outcome of government audits; the impact on our financial statements and estimates from a number of factors; pension obligation volatility and increased contributions to post-employment benefit plans; the expected timing and completion of the proposed disposition of Northwestel are subject to closing conditions, termination rights and other risks and uncertainties, including, without limitation, the purchaser securing financing and the completion of confirmatory due diligence, which may affect its completion, terms or timing and, as such, there can be no assurance that the proposed disposition will occur, or that it will occur on the terms and conditions, or at the time, currently contemplated, or that the potential benefits expected to result from the proposed disposition will be realized; the expected timing and completion of the proposed disposition of BCE's ownership stake in MLSE and the planned access by Bell Media to content rights for the Toronto Maple Leafs and Toronto Raptors for the next 20 years through a long-term agreement with Rogers Communications Inc. (Rogers) are subject to closing conditions, termination rights and other risks and uncertainties, including, without limitation, relevant sports

league and other customary approvals, which may affect its completion, terms or timing, and the intended use of proceeds by BCE from the proposed disposition may vary based on timing of closing of the disposition and other factors and, as such, there can be no assurance that the proposed disposition, the anticipated use of proceeds and the potential benefits expected to result from the proposed disposition will occur or be realized, or that they will occur or be realized on the terms and conditions, or at the time, currently contemplated; the expected timing and completion of the proposed acquisition of Ziplly Fiber are subject to customary closing conditions, termination rights and other risks and uncertainties, including, without limitation, relevant regulatory approvals, such as approval by the Federal Communications Commission and approvals by state Public Utilities Commissions, which may affect its completion, terms or timing and, as such, there can be no assurance that the proposed acquisition will occur, or that it will occur on the terms and conditions, or at the time, currently contemplated, or that the potential benefits expected to result from the proposed acquisition will be realized; the expected timing and completion of the transaction relating to the formation of Network FiberCo, a long-term strategic partnership to accelerate the development of fibre infrastructure through Ziplly Fiber in underserved markets in the U.S., are subject to the closing of the pending acquisition of Ziplly Fiber, as well as to customary closing conditions and other risks and uncertainties, which may affect its completion, terms or timing and, as such, there can be no assurance that the transaction relating to the formation of Network FiberCo will occur, or that it will occur on the terms and conditions, or at the time, currently contemplated, or that the potential benefits expected to result therefrom will be realized; reputational risks and the inability to meaningfully integrate environmental, social and governance (ESG) considerations into our business strategy, operations and governance; the adverse impact of various internal and external factors on our ability to achieve our ESG targets including, without limitation, those related to greenhouse gas (GHG) reduction and supplier engagement; the failure to take appropriate actions to adapt to current and emerging environmental impacts, including climate change; the failure to develop and implement sufficient corporate governance practices; the inability to adequately manage social issues; health risks, including pandemics, epidemics and other health concerns, such as radio frequency emissions from wireless communications devices and equipment; our dependence on third-party suppliers, outsourcers and consultants to provide an uninterrupted supply of the products and services we need; the failure of our vendor selection, governance and oversight processes, including our management of supplier risk in the areas of security, data governance and responsible procurement; the quality of our products and services and the extent to which they may be subject to defects or fail to comply with applicable government regulations and standards.

We caution that the foregoing list of risk factors is not exhaustive and other factors could also adversely affect our results. We encourage investors to also read BCE's 2024 Annual MD&A dated March 6, 2025, BCE's 2025 First Quarter MD&A dated May 7, 2025 and BCE's news release dated May 8, 2025 announcing its financial results for the first quarter of 2025 for additional information with respect to certain of these and other assumptions and risks, filed by BCE with the Canadian provincial securities regulatory authorities (available at [sedarplus.ca](https://www.sedarplus.ca)) and with the U.S. Securities and Exchange Commission (available at [SEC.gov](https://www.sec.gov)). These documents are also available at [BCE.ca](https://www.bce.ca).

Operator: Good morning, ladies and gentlemen. Welcome to the BCE Q1 2025 Results Conference Call. I would now like to turn the meeting over to Mr. Richard Bengian. Please go ahead, Mr. Bengian.

Richard Bengian – Director – IR: Thank you, Matthew. Good morning, everyone, and thank you for joining our call. With me here today are Mirko Bibic, BCE's President and CEO, and our CFO, Curtis Millen. You can find all our Q1 disclosure documents on the investor relations page of the bce.ca website, which we posted earlier this morning. We have a lot of material to get through on this call. However, before we begin, I would like to draw your attention to our Safe Harbour statement on slide 2, reminding you that today's slide presentation and remarks made during the call will include forward-looking information and therefore are subject to risks and uncertainties. Results could differ materially. We disclaim any obligation to update forward-looking statements except as required by law. Please refer to our publicly filed documents for more details on assumptions and risks. With that out of the way, I'll turn the call over to Mirko.

Mirko Bibic – President and CEO: Thank you, Richard and good morning, everyone. I shared in February our strategic and operational roadmap that will guide our actions for 2025 and beyond, focusing on our customers and on creating value for shareholders. We have a clear strategy for growth, and that's anchored in four key priority areas. Putting the customers first, providing the best Internet and wireless networks and services, unlocking potential for businesses with technology solutions, and building a digital and media content powerhouse. Moreover, we will continue to modernize and simplify how we do business and how we operate.

And before providing an update on our progress against each of these, I want to call out two key and very material developments. This morning, we announced a major partnership with PSP Investments, one of Canada's largest pension investment managers, with approximately \$265 billion in net assets. PSP is an extremely experienced telecom investor. It will be helping us fund the expansion of our U.S. business, which could see a commitment in excess of \$1.5 billion. This will significantly de-risk our future funding requirements and bring support for our U.S. fibre growth

strategy while still allowing us to proceed with our deleveraging plans. I'll describe our partnership in more detail in just a few minutes.

Secondly, given the significant changes in our economic and operating environments that have occurred since the fall of 2024, our board has established the annualized dividend per BCE common share at \$1.75 per share from \$3.99 per share. This change will be effective with the July dividend payment. This will help us achieve more quickly our near-term deleveraging target of 3.5 times adjusted EBITDA by the end of 2027, as well as our longer-term target of 3.0 times. Both of these developments are consistent with our strategy to optimize the balance sheet, invest for growth, and enhance total shareholder returns.

Now, on to the four priorities. As you see on slide four, we're putting customers first as our top priority. Earlier this year, we became the first Canadian Telecom company to name a dedicated Chief Customer Experience Officer. Since taking on this role, Hadeer Hassaan has been hard at work on improving the entire customer experience, and that's grounded in four key commitments that define service excellence from a customer's point of view and our path towards making it easy to do business with Bell. Our objective is to put our customers at the heart of every interaction with us. We know their time is valuable, that's why we're prioritizing self-serve tools to help customers get the support they need whenever they need it, including 24/7 AI-powered virtual assistants, while keeping our phone lines free for more complex cases or people who prefer to speak to someone directly.

We've also introduced a new intuitive digital bill, and we're improving the tools available to our representatives so that no matter how customers interact with us, our team has access to the same up-to-date information. And because we know that life does not wait, we're enhancing our callback experience so that our team can follow up without customers having to sit on hold. This approach will materially improve customer satisfaction, churn, and ultimately, customer lifetime value and financial performance.

Turning to slide five now, the next key priority is to provide the best fibre and the best 5G networks. Internet and wireless, as you all know, are our largest businesses and most important revenue drivers. We've made significant investments over the past several years in fibre and 5G, which continue to receive third-party recognition for delivering the fastest download and upload speeds, lowest latency, robust security, and standout reliability and resiliency.

Now, over to slide six. I know I say this often, but I'm going to say it again, fibre is the future. It's clearly the superior technology, and customers know it. Fibre gives us a sustainable advantage that will last for decades. Since 2020, when we made the decision to accelerate fibre deployment, we've increased our total footprint by more than 50%. We have the largest fibre footprint in Canada at more than 7.8 million households and business locations, and it's clear that our strategic investment is paying off. We more than doubled our Internet customer base on fibre to 3 million, and over 60% of these customers are taking gigabit-plus speeds. We doubled our fibre revenue over the same period.

Where we have fibre, our market share has grown 18% to 48%. Where we've had fibre for a longer time, our market share is above 50%. And if you look at our numbers quarter after quarter, we consistently capture the majority of new broadband additions with fibre. Moreover, where we have fibre, our mobility and Internet bundled sales continue to grow and now comprise more than 50% of our total residential households. Our residential fibre penetration rate is approximately 44% across our entire footprint. That's a blended figure that comprises older tenured and more recently deployed markets. In our oldest tenured markets, penetration is at 50% or higher. In our experience, the average penetration rate in new fibre footprint reaches 45% by the third year after deployment. And since we've built more than 1.9 million new fibre locations in the last three years, many of our markets are lower on the penetration curve. All of that to say, lots of room to grow. The bottom line is this. Our commitment to fibre is at the core of our strategy, and where we have fibre, we win.

Turning to the U.S. fibre market now on slide seven, the U.S. is a natural expansion market for BCE, where we can leverage our deep expertise in building fibre infrastructure. As a reminder to investors, let me briefly outline the reasons why the U.S. fibre market is so attractive. U.S. fibre deployment lags behind Canada; only 51% of homes in the U.S. have fibre compared to 75% here in Canada. Fibre penetration also lags. Competitive dynamics are favourable given a largely two-player market driven by retail competition with no mandated wholesale access to fibre.

The market structure is even more attractive for Ziplly. Household income and economic growth across its four states in the Pacific Northwest is above the national average. There are one or fewer gigabit-capable competitors in 93% of Ziplly Fiber's operating footprint, no multi-gig capable competitors, and relatively less overbuilding activity in the Pacific Northwest than in some other U.S. regions. The U.S. has attractive fibre economics with a low cost to build and strong ARPU growth. Importantly, like in Canada, U.S. customers are choosing fibre.

Which brings me to our acquisition of Ziplly on slide eight. Ziplly is delivering consistently strong results with EBITDA growing an impressive 17% in 2024, powered by fibre. This growth rate is even greater than planned, which is a testament to the Ziplly management team's execution excellence. Management's demonstrated ability to execute will become even more valuable as the fibre footprint expands. Ziplly's more mature, tenured markets have already reached 40% penetration. That compares with an average penetration rate of 23% in locations built in the last few years. So we're getting in at a very opportune time where there's still meaningful growth ahead of that penetration, particularly when you consider that over 40% of fibre locations were built in the last four years, with more to come. 85% of Ziplly's approximately 400,000 retail subscribers are on pure fibre service. Ziplly also benefits from a favourable operating mix with over 70% of total revenues from consumer and SMB, and with a robust enterprise and wholesale business also built on the back of fibre. The acquisition is on track to close in the second half of 2025. It's an important part of our plan to generate sustained top-line and EBITDA growth.

Now let's move to slide nine. We previously said we'd be open to working with third parties to help fund our fibre growth in the U.S. as we look to strengthen our balance sheet, diversify revenue streams, and improve free cash flow. There's been strong interest amongst financial partners to join us in capturing the significant growth opportunity given the power of Ziplly's assets and strong track record of its management team, and BCE's experience and success with fibre. As mentioned, we're very pleased to announce the long-term strategic partnership with PSP Investments through their infrastructure portfolio to build new fibre locations in the U.S. and support Ziplly's footprint expansion.

BCE through Ziplly will retain a 49% equity stake in the partnership, with PSP owning 51%. PSP has been an investor in Ziplly and knows the management team well. To be clear, and this is important, BCE will own 100% of Ziplly's existing operations, subscribers, and financials. Ziplly, as a BCE subsidiary, will continue its fibre expansion within its remaining copper footprint. Ziplly will also retain all retail customer relationships associated with the incremental fibre locations to be built by the Strategic Partnership.

What the partnership will be focused on is building last-mile fibre in Ziplly's growth markets. This includes the near-term development of approximately 1 million fibre passings in Ziplly's existing states, with the ability to expand to 6 million fibre locations longer term. This will enable Ziplly to eventually reach up to 8 million total fibre locations, an increase from its original target of 3 million. The strategic partnership structure is a cost-effective and capital-efficient way to fund our U.S. fibre growth while still meeting our deleveraging targets, and I'll detail that momentarily.

Now, let's move to slide 10. This long-term partnership provides clarity on our U.S. fibre ambitions. Ziplly's ILEC footprint covers approximately 2 million customer premises. Upon closing of the acquisition, fibre will already be available to approximately 1.5 million of these locations. The remaining 500,000 locations will be built and owned by Ziplly over the coming years as part of Ziplly's existing in footprint fibre build strategy. And as I mentioned, the partnership has long-term visibility into as

many as 6 million additional locations outside of Zply's 2 million locations ILEC footprint. The partnership unlocks our ability to capture this significant additional footprint and related financial benefits. So when you combine our 8 million locations in Canada that have fibre this year, our U.S. fibre assets will grow BCE's position as North America's third-largest fibre Internet provider with access to approximately 16 million total passings. There is clearly long-term growth potential in this critical space.

Turning now to slide 11 to wrap up on the U.S. fibre. The PSP strategic partnership is an exciting announcement for BCE and for our shareholders. It allows us again to support the fibre expansion in a cost-efficient manner while optimizing the balance sheet and improving our free cash flow profile. Through this endeavour, Zply will retain the retail economics of its existing and future customer relationships in the fibre footprint to be deployed by the partnership and this will improve BCE's revenue and EBITDA growth profiles. BCE and PSP will proportionately fund any equity needed by the partnership as required over time. This significantly reduces the capital investment by BCE and improves BCE free cash flow by over \$1 billion over the 2026-2028 time period. The partnership will also have its own non-recourse debt financing, which is anticipated to be the majority of its capital over time. This further reduces BCE's cash funding requirement. The partnership will be deconsolidated with all Capex and debt financing remaining off BCE's balance sheet. This structure and attractive cost of capital will improve our expected returns in the U.S. We're estimating an all-in rate of return in the U.S. of 20% or higher.

So, now let me turn to the next element of our strategic roadmap, and that's on slide 12. Our third priority is to unlock the potential of businesses with the best technology solutions. And we've set an ambitious goal, which I've shared before, to generate a billion dollars in revenue by 2030, and we're well on our way. And just two days ago, we launched Ateko. It's an all-new Montreal headquarter technology solutions provider, and Ateko brings together under the same banner the tech startups we've recently acquired, which are FX Innovation, CloudKettle, and HGC Technologies. Its competitive differentiators uniquely position it to deliver better outcomes for enterprise customers. Ateko's team of workflow automation experts will

draw on their experience in the world's largest hyperscalers and automation platforms like AWS, Azure, Google Cloud, Salesforce, and ServiceNow to help customers streamline their operations, improve automation, enhance customer experience, and facilitate data-driven decision making. We've created a one-stop shop for businesses, networking, and technology solutions needs. Ateko's capabilities position us to achieve significant growth in the enterprise space.

I'll now move to slide 13. The fourth key area of focus is to build a digital media and content powerhouse. Our digital pivot in media is bearing fruit after a lot of hard work and focused investments. Digital advertising is expected to have a total addressable market of \$22 billion in Canada in 2028, up from 16 billion in 2024.

As we continue to capture more share of that digital advertising market, profitable growth lies ahead for Bell Media. Our priorities in digital media and content are the following, grow Crave from 4 million subscribers today to 6 million by 2028, maintain sports leadership through the best breadth of content, accelerating conversion to digital inventory, and a focus on extending content value and monetization. This is already being realized with Bell Media's acquisition of a majority stake of global content distributor Sphere Abacus. This move expands Bell Media's content distribution opportunities.

Let me touch briefly now on the fifth key pillar on slide 14. As I outlined in February, we have an extensive transformation program in place to modernize and simplify how we do business. We started this transformation in 2022, and it's already delivered \$500 million in savings. At the time, I stated that we had \$500 million more to go through 2028 to achieve our goal of a billion dollars in cost savings. Given our transformation momentum to date, we've upsized that objective by an additional \$500 million for a new goal of \$1.5 billion in total cost savings by the end of 2028.

I'll now turn to our capital allocation strategy on slide 15. We're navigating a complex operating environment, which has evolved significantly since the fall of 2024. In February of this year, we laid out a clear roadmap to adapt to this evolving environment, and I've kind of expanded on it today. Core to this plan is our capital

allocation strategy. Strengthening the balance sheet, investing for growth, and driving total returns are the key priorities. Let me share the meaningful progress we've made over the last few months, beginning with optimizing our balance sheet.

In February and March, we successfully accessed the hybrid debt markets in the U.S. and Canada, raising the Canadian equivalent of approximately \$4.4 billion in our first hybrid notes offerings in each market. Given the 50% equity treatment afforded by the credit rating agencies, this has meaningfully improved our leverage ratio. Consistent with our deleveraging plans, we repurchased several bonds trading at a discount to par value, reducing the amount of debt. These actions have collectively lowered our net debt leverage ratio by approximately 0.3 times since Q4, bringing it to approximately 3.6 times adjusted EBITDA. Given BCE's healthy balance sheet and business mix, we are best in class from a credit ratings perspective in Canadian Telecom.

In addition, our review of non-core assets continues to advance. The previously announced divestitures of Northwestel and MLSE are progressing as expected, and we've launched two processes for additional divestitures. Proceeds from any new sale will support our deleveraging efforts. The acquisition funding for Ziplly is leverage-neutral, and we structured the transaction in a way that balances growth with financial discipline. I've explained that in detail in the earlier--in the earlier sections on the U.S. Bottom line is the partnership will enable us to better capture the significant upside of fibre expansion, unlocking incremental cash flow to support deleveraging at the BCE level, and it complements our broader efforts to strengthen the balance sheet.

And as I mentioned earlier, we're already seeing Ziplly outperform expectations. In fact, since we announced the acquisition in November, the transaction multiple of 14.3 times estimated 2025 Adjusted EBITDA is now already closer to 13 times. The Ziplly team is driving very strong customer acquisition and penetration on its fibre metrics, and the metrics will get even better as we go forward, as we capture the incremental synergies and growth opportunity from the PSP partnership.

Now, the second component of our capital allocation strategy is investing for growth. Our approach remains grounded in those strategic pillars I've outlined previously, and we'll continue to execute on them with precision. The investments are designed to position us for sustained success in an evolving market, ensuring we remain an industry leader. And the third aspect of our strategy is delivering value to shareholders. The focus is on maintaining a resilient and sustainable dividend, achieving leverage ratio targets and greater flexibility as we drive total shareholder returns. And that brings me to Slide 16 and our dividend announcement this morning, which encompasses all three components of our capital allocation strategy.

We spent considerable time with our shareholders discussing their perspectives and carefully evaluating our operating landscape. We must address a number of significant changes in our economic and operating environments that have occurred since the fall of 2024, as I've mentioned. Today's actions will allow us to deftly navigate through this cycle. Considering these factors, we've made the appropriate decision to adjust our dividend. The annualized dividend per BCE's common share will be established at \$1.75 per year, effective with the Q2 dividend payment. Even with the adjustment to the dividend, we continue to provide an attractive yield that is among the highest on the TSX60.

Additionally, we're updating our long-term common share dividend payout policy to target a payout range of 40% to 55% of free cash flow. This policy range provides us with more flexibility for de-leveraging. To make it easier for investors to consider the effects of capital leases on our cash flow, we will begin to also disclose our free cash flow after capital lease repayments going forward. In addition, we will provide, on an annual basis, the implied dividend payout ratio on the basis of free cash flow after capital lease repayments, along with the payout ratio based on our policy. The adjusted dividend will support our deleveraging efforts while providing enhanced flexibility and positions us as a resilient dividend-paying company. By the end of 2027, we expect to achieve a net debt leverage ratio of approximately 3.5 times adjusted EBITDA pro forma Zipl, with a longer-term goal of approaching three times by 2030. We will also eliminate the treasury discount feature of the DRIP effective with the Q2 dividend

payment on July 15th. These decisions are the right ones for the long-term health of BCE and the long-term interests of our shareholders.

As we look to the future, I want to reiterate our unwavering focus on disciplined execution, financial resilience, and value creation. The steps we've taken this quarter demonstrate our ability to adapt and deliver in a challenging environment. And with that, I'll turn the call over to Curtis.

Curtis Millen – Executive Vice President and CFO: Thank you, Mirko and good morning, everyone. I'll begin on slide 18 with BCE. Adjusted EBITDA was essentially stable while margin improved 40 points on the back of a 2.1% reduction in operating costs. Total revenue was down 1.3%. This can be largely attributed to a 7.4% decrease in low-margin product sales, which included the loss of revenue from The Source store closures in 2024 and conversions to Best Buy Express. Our service revenue result reflected the flow-through impact of sustained competitive pricing pressures over the past year and ongoing declines in legacy voice, data and satellite TV services. Net earnings were up nearly 50% in Q1. The increase was due mainly to early debt redemption gains related to the repurchase--excuse me, of certain bonds trading at a discount to par value. Nothing notable on adjusted EPS consistent with our 2025 guidance assumptions for interest and depreciation expense, and a higher average number of shares outstanding because of the discounted treasury drip. It was down 3 cents compared to last year. Capex was down \$273 million this quarter. We remain on track to reduce capital investment by \$500 million in 2025 in line with our plan. The Capex reduction, lower cash taxes and higher cash from working capital drove a \$713 million year-over-year increase in Q1 free cash flow.

Turning to Bell CTS on slide 19. Starting with a high-level summary of Q1 subscriber metrics. Retail Internet net adds of 9.5 thousand were down versus an exceptionally strong Q1 last year. In addition to slowing industry growth due to fewer newcomers and less new fibre footprint expansion, our results this quarter reflected our consistent strategy to balance subscriber growth with financial performance. Importantly, customers continue to choose fibre because we offer a superior product

with a symmetrical speed advantage over cable. Where we have fibre, our subscriber loadings and market share gains remain strong. Our fibre to the home customer base now accounts for 68% of our total retail Internet subscriber base.

Moving to wireless, we recorded a small net loss in total mobile phone subs in Q1 compared to 25,000 net adds last year. This was a function of a 7.7% decrease in gross activations, reflecting a slower market. However, consistent with our operating strategy to focus on margin-accretive subscriber acquisition, we gained 25,000 net new customers on the main Bell brand. Notably, postpaid churn remained stable in Q1 following nine consecutive quarters of year-over-year increases. While it remains higher than we'd like, we're pleased with the improving trajectory. Managing our churn will continue to be a top priority.

Mobile phone ARPU was down 1.8%. This represents a second straight quarter of improvement in the year-over-year rate of decline. Our ARPU result this quarter reflected sustained competitive pricing pressure and lower roaming, due in part to decreased travel to the U.S. Moving to Bell CTS financials, Internet revenue was up 2.4%. Solid result showing we're striking the right balance between sub growth and disciplined pricing. We also saw continued strength in business solutions, where revenue grew 8% over last year. This was driven by higher sales of technology solutions as well as acquisitions made over the past year.

Wireless service revenue was down 0.8%. This is a notable improvement from the 1.5% decline in Q4. We expect the rate of decline will continue to improve going forward as ARPU improves. However, the industry will continue to feel the impacts of the pricing levels in-market over the last 12 months for a while longer. Wireless product revenue was down \$60 million this quarter. The year-over-year decline was the result of lower sales of mobile devices to large enterprise customers in the government sector, as well as the loss of revenue from The Source stores closures in '24 and conversions to Best Buy Express. Our EBITDA result was in line with plan, notably margin increased 20 points over last year to 45.7%, the direct result of our significant

and ongoing focus on cost management as evidenced by a 2.7% reduction in operating costs this quarter.

Turning over to Bell Media on slide 20, continued digital momentum and strong overall financial performance marked by a fourth consecutive quarter of revenue and EBITDA growth. Digital revenues were up 12%. This was mainly on the back of strong Crave DTC streaming growth, which drove a 22% increase in Crave subscribers to 3.8 million. Notably, direct-to-consumer streaming subscriptions now comprise the majority of total Crave subscribers. Total advertising revenue increased for a fifth straight quarter on the strength of digital live sports and events, increased spending related to the federal election, and the contribution of OUTEDGE Media. Subscriber revenue growth of 7.8% was driven by continued direct-to-consumer Crave and sports streaming growth media. EBITDA was up 35.9%, driving a substantial 4.4 point increase in margin to 20.5%. Really a nice performance by Bell Media by growing revenue, EBITDA and margins.

Turning to slide 21. Our balance sheet is very healthy with \$4.7 billion of available liquidity and pension solvency surpluses totalling \$3.8 billion at the end of Q1. We ended Q1 with a net debt leverage ratio of below 3.6 times adjusted EBITDA compared to 3.8 times at the end of Q4. The decrease can be attributed to the combined impact of 4.4 billion in hybrid notes offerings issued in advance of the Zply Fiber transaction and repurchases of bonds trading at a discount to principal value. We are highly focused on deleveraging our balance sheet with the execution of our plan toward a net debt leverage ratio of approximately 3.5 times adjusted EBITDA by the end of 2027. The plan includes substantial free cash flow generation, divestiture of non-core assets, and applying incremental retained cash resulting from the revised dividend level toward paying down debt.

Our updated dividend payout policy of 40% to 55% of free cash flow is reflective of a balanced approach to capital allocation. This policy range allows us to fund our capital allocation priorities, which are to optimize the balance sheet, invest for growth, and return capital to shareholders. To wrap up on slide 22, we remain confident in our

proven ability to deliver under any circumstances, backed by the best networks and services, our ongoing business transformation, consistent operational execution and cost discipline.

We're laser-focused on the key strategic priorities that Mirko outlined to create long-term value for shareholders. And also notice that I am reconfirming our financial guidance targets for 2025 with the annualized common dividend at \$1.75 per share. I will now turn the call back over to Richard and the operator to begin Q and A.

Richard Bengian – Director – IR: Thanks, Curtis. Before we start, I want to remind everyone that due to time constraints this morning, because of our AGM that is taking place after this call, to please limit yourselves to one question and a brief follow-up so that we can get to as many in the queue as possible. With that, Matthew, we are ready to take our first question.

QUESTION AND ANSWER SESSION

Operator: Thank you. The first question is from Maher Yaghi from Scotiabank. Please go ahead.

Maher Yaghi – Scotiabank – Analyst: Great. Thank you for taking my question. Never easy decisions when companies decide to cut the dividends, but doing it for the right reasons, I think it's very good. I wanted to ask you, in terms of your leverage targets that you mentioned in your prepared remarks and in your presentation, do they include any asset sales that have not been announced yet? And just a follow-up in terms of wireless, when we look at gross loading in the environment that you're operating in, do you think that Q1 was an apparent quarter, or this is more the environment that you're going to be probably in for the rest of the year? Thank you.

Curtis Millen – Executive Vice President and CFO: Thanks for the question, Maher. In terms of the leverage targets, so you know, our plan remains as we announced a couple of months ago, to sell the \$7 billion in assets. That includes MLSE, Northwestel, and a couple other processes that we have on the go. So, it basically factors in what we--what we announced last quarter.

Mirko Bibic – President and CEO: Thanks for the question, Maher, it's Mirko. On the wireless question, I'll give you maybe a bit of a broader answer, but basically to answer a very specific question, but more context. So I would say that if you looked at early on in Q1, we were seeing some pricing stability, green shoots. I think in back half of Q1, there was a reversion to kind of frothy pricing activity across the industry. So you see from that the overall industry loadings, including ours, are affected by the macro environment as well, including the clampdown on immigration. And--and then there's the kind of impact of pricing. So, if you put the two together, we decided not to go after non-accretive loadings. So, what you--the numbers behind the numbers is that we had pretty strong performance on the Bell brand again, and we had strong performance on cross-sell and our wireless product margins remained positive. So, I think now to end--that's the context for Q1.

Now, to answer your specific question, as we look into Q2 and the progress so far, we see the metrics trending in the right direction for sure, and we see ARPU decline improvement, we're seeing churn improvement. Our sales were okay in Q1, and as we improve churn, I think that's going to deliver what investors are expecting.

Maher Yaghi – Scotiabank – Analyst: Thank you.

Operator: Thank you. Our next question is from Drew McReynolds from RBC. Please, please go ahead.

Drew McReynolds – RBC Capital Markets – Analyst: Yeah, thanks very much. Good morning. I guess first on the 2025 reiteration of guidance, you know, Mirko, you began to talk about Q2. And I know, I understand visibility is not great. I just want to get a sense of, you know, the working assumptions in terms of reiterating guidance with respect to the competitive environment in macro. You know, we're just trying to assess, I guess, your degree of confidence in keeping within your existing guidance range. And then my follow-up, just on the--on the target, 3.5 times leverage for 2027. So, great, obviously to get a target out there, you know, simplistically if I kind of run that through my forecast, including kind of the non-core asset sales that you've announced, the--the aggregate 7 billion. I get--I get a leverage by 2027 that's just a

little, you know, 0.2 – 0.3 times lower than three and a half times. So I'm just trying to figure out if there's anything else here, whether it's EBITDA growth or higher kind of Capex investment given the announcement this morning, just, just any other big picture puts and takes that, you know, may help reconcile that and if I need to take that offline with Curtis, that's great.

Curtis Millen – Executive Vice President and CFO: Yeah. Hi Drew, thanks for the question. Yeah, we de-levered in Q1 as we issued the hybrids. Thought it was a good idea to issue hybrids to de-lever given the kind of uncertainty in the market. So once we close, Zply leverage would go back up, given we're assuming Zply Fiber debt as well. And going forward, as you say, free cash flow, growth, asset sales. Then you made a comment about funding needs. The funding needs at the partnership are actually quite limited given our partnership with PSP and the ability to lever at the partnership level.

So, as Mirko said, the partnership by itself actually improves our free cash flow by over a billion dollars in the first three years. So, all of that will lead us to better free cash flow and de-leveraging.

Mirko Bibic – President and CEO: On the first question, Drew, it's Mirko. Just, you know, in terms of the reconfirming of guidance, you know, if you go back to February and when we provided guidance for the year, that's why we had a view of what the year would look like and therefore we put the ranges in place that we did, you know, kind of with fairly relative terms, fairly wide range on either end to acknowledge the environment that we thought we would be in. So, we're in a position to reconfirm that guidance today.

Drew McReynolds – RBC Capital Markets – Analyst: Thank you.

Operator: Thank you. Our next question is from Vince Valentini from TD Securities. Please go ahead.

Vince Valentini – TD Securities – Analyst: Thanks very much. First, just to clarify on guidance as well, \$300 million gain on the bond redemptions helped your free cash

flow in the first quarter, but you've not changed the guidance. Should you be at least trending to the high end of that free cash flow guidance, given that boost, which I'm pretty sure you didn't expect when you gave us the guidance originally in February? And then on the Zply joint venture, can you just confirm you would be the exclusive retail partner on the Network FiberCo and the extra 6 million homes, is that all planned construction or could some of that be buying existing assets in combination with Capex? Thank you.

Mirko Bibic – President and CEO: Thank you. Thank you, Vince, it's Mirko. On the first--well, I'll answer the last two questions first. So yes, the plan is for Zply Fiber to be the exclusive tenant on the network and on fibre--and on reaching the additional 6 million homes. And you asked a question there about the possibility of M&A. Like, right now, the focus is closing the Zply Fiber transaction, and shortly after that, we'll be in a position to close Network FiberCo, which is the strategic partnership. Then the focus is going to be to execute on the build plan in that attractive U.S. market. So those are--those are, I highlight that for a reason. That's going to be the focus. If down the road we see we can more efficiently hit build targets through M&A, the goal will be to do so, but within the partnership and without intending to veer off of our deleveraging targets that we've expressed to all of you today.

Curtis Millen – Executive Vice President and CFO: Thanks. And then, Vince, the gain on the repurchase. So while we were able to reduce our debt amount, principal amount, by over 500, the actual gain is not included in our free cash flow.

Vince Valentini – TD Securities – Analyst: The \$798 million in the first quarter did not include that \$300 million, Curtis?

Curtis Millen – Vice President and CFO: Correct. The outperformance is largely working capital and cash tax.

Vince Valentini – TD Securities – Analyst: Okay, I may have to take it offline because I don't see where it's backed out in your numbers, but I trust you. Thank you.

Curtis Millen – Executive Vice President and CFO: Thank you.

Operator: Thank you. Our next question is from Matthew Griffiths from Bank of America. Please go ahead.

Matthew Griffiths – BofA Securities – Analyst: Oh, hi. Thanks for taking the question. Um, on the timing of this, the PSP kind of Network FiberCo, how should we think about that? I mean, obviously, you know, I know you're focused on closing things first, but is it--you know, what is the time frame generally for the 6 million homes passed and is the 1.5 billion, sorry, contribution from PSP, is that directly tied to the 6 million passing number or is that just the initial investment? And to achieve the 6 million, additional funding is required. Any detail would be, you know, helpful in understanding how this all--how the numbers that are presented kind of tie together. And then just quickly on the 25,000 net adds on the main Bell brand, I was curious how that compares year over year. Thank you.

Mirko Bibic – President and CEO: Thank you. Thank you, Matthew. So on--so it's a long--the partnership is a long-term partnership through, through the infra side of PSP as I mentioned. So, you know, the goal will be to get to the 6 million homes over--over time. You can't--you can't build instantaneously. So that will take time and the commitment that we express in terms of the financial contribution that will be provided over time as we build. So that's the intent there. And as I mentioned, we'll be providing debt financing at that partnership level as well to help fund that program.

Matthew Griffiths – BofA Securities – Analyst: Great. And on the Bell brand.

Mirko Bibic – President and CEO: Yeah, I was looking for it. So that's why there was a little.

Matthew Griffiths – BofA Securities – Analyst: Oh, sorry.

Mirko Bibic – President and CEO: That's why there was a little bit of a stall. So, it's down 9,000 year over year.

Matthew Griffiths – BofA Securities – Analyst: Okay, okay, great. Thank you so much. I appreciate the clarity.

Operator: Thank you. Our next question is from Sebastiano Petti from J.P. Morgan. Please go ahead.

Sebastiano Petti – J.P. Morgan – Analyst: Hi, good morning, everyone. Just one quick follow-up on the \$1.5 billion. Is that a capital call or a lump sum payment that you'll have to make? And then just following up on Drew's question. Just thinking about the de-levering profile or the 3.5 leverage target over time, I'm just--a lot of questions, a lot of inbounds from investors just trying to understand or square the math there. I mean, you have \$7 billion of asset sales coming through. You have \$2 billion of Ziplly debt that's coming on. That implies pretty significant de-levering. But then it sounds like you're going to be re-levering. So, there are downgrades of free cash flow that we should be thinking about? Particularly in light of the dividend, you have \$2 million without the dividend payment of cash each year. I'm just trying to square that math there. And then also lastly on the dividend, sorry Curtis, why \$1.75? Why did you land there? Thank you.

Mirko Bibic – President and CEO: Okay, so I'll--Curtis will answer the free cash flow question, but let me address the other two. Your first question, same--it's essentially what Matthew asked me. So, it's going to the contributions to Network FiberCo are over time as we build. So, it's not a one-time payment. The third question on why \$1.75. On that one, the board considered a range of options as I'm sure you can imagine. And this is the level that the BCE board believes gives us the flexibility to achieve our capital allocation objectives. And they're on Page 15 of our presentation. So, it's optimized the balance sheet, essentially accelerate de-leveraging and optimize the cost of capital. The flexibility to invest for growth, it's incumbent on us to continue to grow this franchise, and then return deliver total shareholder returns to our shareholders by being a sustainable dividend-paying company. So that's--so, you know, of the range of options that we had considered and taking in the input of investors over time. That's the number that the board felt gave us that flexibility.

Curtis Millen – Executive Vice President and CFO: And then to address your--your leverage question, Sebastiano. So the \$7 billion of asset sales is the gross number,

but the MLSE proceeds--so, the net proceeds from the \$4.7 billion sale of MLSE are part of the sources and uses to acquire Ziplly Fiber.

Sebastiano Petti – J.P. Morgan – Analyst: Got it. Understood. And then maybe--so the open-access partnership, I guess, I mean yes, maybe the U.S. is behind in terms of fibre build out in the U.S., but--relative to Canada, but we the U.S. built 10 million fibre passings last year on pace to build another 10 million over the next several years. You have very long-term, well-capitalized companies chasing additional passings, just trying to--what gives you comfort, I guess, maybe in the greenfield opportunity, of getting to that incremental 5 million that you guys have outlined above and beyond the 3 that you originally talked about with Ziplly. Thank you.

Mirko Bibic – President and CEO: Oh, we've done the work and our due diligence on the extent of passings that are there and ready to be built a low cost to build. So we've done some extensive due diligence on that, so we are quite comfortable, as is the Ziplly Fiber team, as you can imagine. And on the first part, you said open--open access, but I don't know what you meant there as Vince asked.

Sebastiano Petti – J.P. Morgan – Analyst: Sorry, yeah, sorry. It's more the wholesale partnership. Just. Yeah--

Mirko Bibic – President and CEO: The partnership is just to be clear, the partnership is not an open-access partnership, just to be clear on that. And then we, we also will be able to get to those 6 million homes which we've, you know, kind of, like I said, done extensive work on at a--at an attractive cost of capital given the structure that we've established with PSP. And I'd say PSP is also a very experienced telecom infrastructure investor, and they see the potential here in the U.S. and particularly with Ziplly Fiber, which they're already a shareholder of and working with us, given our expertise.

Sebastiano Petti – J.P. Morgan – Analyst: Thank you.

Operator: Thank you. Our next question is from Jérôme Dubreuil from Desjardin Securities. Please go ahead.

Jérôme Dubreuil – Desjardins Securities – Analyst: Hey, thank you. Thanks for taking my question. First is on the acceleration of fibre deployment. It actually looks like an acceleration. I'm not sure the timeframe is comparable, and it looks to be significant. So I'm trying to see what is the rationale behind that? Is it now that your capital structure is in a better place that you can afford to do that, or maybe are you seeing additional opportunity? And the second one, I mean, investors are going to be trying to figure out what the pro forma free cash flow is going to be, pro forma, the infraco and the acceleration. So, any details you can provide? Are you investing more in terms of free cash, net of all the transactions you are announcing this morning? Thank you.

Mirko Bibic – President and CEO: Thanks, Jérôme. So, on the acceleration point, I just want to clarify. So when we announced Ziplly Fiber initially, we indicated that they had a base case build plan to get to about 3 million homes by 2029. And with BCE's scale and resources, we would accelerate that 3 million homes to 2028. So, that doesn't change. We think we'll get to around 3 million homes by 2028, 2 million of those 3 million, and most--and those 3 million will largely be in the four Pacific Northwest states in which Ziplly Fiber currently operates. What's different here is, you know, at close, we'll have 1.5 million of those 3 million already done. There's another 500,000 copper lines in Ziplly Fiber ILEC footprint that we need to upgrade to fibre by 2028, that will be funded by BCE. The other million homes will be part of the partnership.

So it's a different way of getting to the same 3 million homes in a way that's immediately free cash flow. Kind of immediately improves a free cash flow profile of BCE by the billion dollars that I mentioned, given the support of PSP. It strengthens and increases our ability to capture that fibre opportunity. And in terms of the additional 5 million homes, therefore, those will be tackled over time beyond 2028 with PSP as a world-class financial partner. So, therefore that's going to accelerate Ziplly Fiber's growth and accelerate and provide it with expanded growth potential again in a

financially flexible way, given that we'd be doing it through the strategic partnership. So, all--you know, all told, we're going to be enhancing the returns associated with the Ziplly Fiber investment. Not to mention that, you know, it's already, you know, looking more accretive than in November of 2024, given the management team's performance even since we announced the deal.

Curtis Millen – Executive Vice President and CFO: Then, Jérôme, just to pile on, you asked a question about the free cash flow. I think one other input. So, we had said in November, Capex pro forma for Ziplly would live within the 16.5% C2I envelope. Given the partnership with PSP, we expect that's going to be closer to 14 and a half percent. And then after--after Ziplly has built out the 500,000 locations within its ILEC footprint, as Mirko mentioned, then we would expect that C2I percentage to drop from there.

Jérôme Dubreuil – Desjardins Securities – Analyst: Thank you.

Operator: Thank you. Our next question is from Patrick Ho from Morgan Stanley. Please go ahead.

Patrick Ho – Morgan Stanley – Analyst: Hey guys, thanks for having me on. Just two questions for me. The first question is, can you guys talk about how you guys are thinking about the new government's impacts on key areas like TPI and immigration? And then the second question I had is, you guys upsize your cost savings target goal by 500 million to 1.5 billion, can you just unpack the various buckets that are within that additional 500 million cost savings and just where these items come from? Thank you.

Mirko Bibic – President and CEO: I'll take both. On the--on the business transformation, like I said in my remarks, we've been quite successful on the initiatives we've undertaken since 2022, and that's delivered the 500 million that I've outlined and I've shared before. And that's one of the key drivers that allows us to increase margins across BCE quarter after quarter. In terms of the initiatives, just to keep it kind of quick and simple, it's things like automation, use of AI, consolidating billing stacks, modernizing ordering stacks, obviously continuing on the copper to fibre migration,

self-serve, self-install, use of chatbots, virtual agents, including voice. So those are the kinds of things. And we're also actually, you know, we're relying in part on the expertise of Ateko, the folks at Ateko, to help drive workflow automation and unlocking the value from our Salesforce and ServiceNow environments. And if you think about it, there's significant learnings there which we of course, can bring to the benefit of our enterprise customers as we drive growth through tech services. So we're both, you know, when we go to the customer, so we're both an operator because the things we're suggesting our enterprise customers do, we're doing for ourselves through Ateko. So that's the answer on--on the business transformation. And the first one was-- first question--.

Richard Bengian – Director – IR: TPIA.

Mirko Bibic – President and CEO: Oh, TPIA. Yeah. Working with government, so-- thank you. Thank you, Richard. Um, we're looking forward to having constructive dialogue with the new federal government. And top of the list in terms of topics would be the fibre resale file. I think comes down to this. We celebrated our 145th birthday just last week. And for 145 years, we've been building critical infrastructure in Canada for Canadians to connect Canadians, and that allows Canada to grow, right? Because if you think about the networks that our industry provides, you know, you need it for everything from AI to cloud services, to banking, to connecting with your loved ones, to entertaining yourself, everything. And so we want to continue to do that. And in order to continue to do that at the levels which we've been doing it, you do need ultimately an environment that encourages investment. And, you know, allowing the largest players in the market to resell services on each other's networks is actually a direct disincentive to investment, and it's going to undermine the goal to have more resiliency and connect more Canadians, particularly in rural Canada. So, you know, very kind of intend to take a very constructive approach, and it's a logical position we have, and we're looking forward to the dialogue.

Patrick Ho – Morgan Stanley – Analyst: Right. Thank you.

Operator: Thank you. Our next question is from Aravinda Galappatthige from Canaccord Genuity. Please go ahead.

Aravinda Galappatthige – Canaccord Genuity – Analyst: Good morning. Thanks for taking my question. I'll start with the follow-up. I just wanted to make sure I heard you correctly. So, the Capex intensity ratio beyond 2025, it sounds like basically you will not exceed 14.5%. That would be sort of the new high point. I just wanted to confirm that. And secondly, you know, based on, sort of, the business transformation cost reductions that you talked about with respect to severance and restructuring cash costs, I mean, it was \$330 million last year. How--Should that, kind of, be sort of the standard for the next couple of years? I wanted to confirm that as well.

Curtis Millen – Executive Vice President and CFO: So, thanks, Aravinda for the question. Yeah, I think 14.5 is the right range. I don't know if it's quite under 14 and a half, but it's in around 14 and a half. Obviously, it depends a little bit on how fast we're driving subscriber growth and demand, Capex that comes along with that. But in the 14 and a half percent range is a good estimate. And in terms of the cost reductions and cost to actually capture those, I would say these past couple of years have been higher on the one-time costs. There's still going to be some costs going forward to be able to capture benefits of transformation. But I would expect the cost to be going down over time as it's more and more process improvement as well.

Aravinda Galappatthige – Canaccord Genuity – Analyst: Okay, thank you. I'll pass the line.

Operator: Thank you. There are no further questions registered at this time. I would now like to turn the meeting over to Mr. Bengian.

Richard Bengian – Director - IR: Thanks again for your participation on the call this morning. As usual, I will be available throughout the day for follow-up questions or clarifications. Thanks and have a great day.

Mirko Bibic – President and CEO: Thanks, everyone.

Curtis Millen – Executive Vice President and CFO: Thank you.

Operator: Thank you. The conference has now ended. Please disconnect your lines at this time, and we thank you for your participation.