PRESS RELEASE
For immediate release

COGECO COMMUNICATIONS RELEASES ITS RESULTS FOR THE THIRD QUARTER OF FISCAL 2019

- **Revenue increased by 3.6% (1.7% in constant currency) compared to the same period of the prior year to reach $587.3 million;**
- **Adjusted EBITDA(1) reached $283.9 million, an increase of 6.0% (4.3% in constant currency);**
- **Free cash flow(1) reached $137.0 million, an increase of 33.8% (33.4% in constant currency);**
- **On April 30, 2019, Cogeco Communications completed the sale of its subsidiary Cogeco Peer 1 to affiliates of Digital Colony, which resulted in a gain of sale of $82.4 million; and**
- **A quarterly eligible dividend of $0.525 per share was declared.**

Montréal, July 10, 2019 – Today, Cogeco Communications Inc. (TSX: CCA) ("Cogeco Communications" or the "Corporation") announced its financial results for the third quarter ended May 31, 2019, in accordance with International Financial Reporting Standards ("IFRS").

Following Cogeco Communications' announcement on February 27, 2019 of the agreement to sell Cogeco Peer 1 Inc., its Business information and communications technology ("Business ICT") services subsidiary, the operating and financial results from this subsidiary for the current and comparable periods are presented as discontinued operations separate from the Corporation's continuing operations.

For the third quarter of fiscal 2019:

- Revenue increased by 3.6% compared to the same period of the prior year to reach $587.3 million mainly driven by the growth of 10.0% in the American broadband services segment. On a constant currency basis, revenue increased by 1.7%, mainly explained as follows:
    - American broadband services revenue increased by 5.4% in constant currency resulting from rate increases implemented in August 2018, the continued growth in Internet and telephony services customers as well as the acquisition of the south Florida fibre network previously owned by FiberLight, LLC (the "FiberLight acquisition") on October 3, 2018. The increase was partly offset by a decrease in video service customers;
    - Canadian broadband services revenue decreased by 1.0% mainly as a result of decreases in video and telephony services customers during the fourth quarter of fiscal 2018 and the first quarter of fiscal 2019 following the transition to a new customer management system which is now complete, partly offset by rate increases and higher net pricing from consumer sales.

(1) The indicated terms do not have standardized definitions prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the "Non-IFRS financial measures" section of the MD&A.

- Adjusted EBITDA increased by 6.0% to reach $283.9 million. On a constant currency basis, adjusted EBITDA increased by 4.3%, mainly as a result of the following:
    - American broadband services adjusted EBITDA increased by 4.4% in constant currency mainly as a result of strong organic growth combined with the impact of the FiberLight acquisition; and
    - Canadian broadband services adjusted EBITDA increased by 3.6% in constant currency mainly as a result of a reduction in operating expenses.
- Profit for the period from continuing operations amounted to $99.6 million, of which $96.6 million, or $1.96 per share, was attributable to owners of the Corporation compared, respectively, to $70.5 million, $67.2 million, or $1.36 per share, in the comparable period of fiscal 2018. The increase resulted mainly from higher adjusted EBITDA combined with the decrease in financial expense, partly offset by increases in income taxes and in depreciation and amortization;
- On April 30, 2019, Cogeco Communications completed the sale of its subsidiary Cogeco Peer 1 Inc., its Business ICT services subsidiary, to affiliates of Digital Colony for a net cash consideration of $720 million resulting in a gain on sale of $82.4 million. For the third quarter of fiscal 2019, profit for the period from discontinued operations amounted to $82.5 million mainly due to the gain of disposal of a subsidiary compared to a loss for the period of $5.4 million for the same period of the prior year;
- Profit for the period amounted to $182.0 million, of which $179.1 million, or $3.62 per share, was attributable to owners of the Corporation compared, respectively, to $65.2 million, $61.8 million, or $1.25 per share, in the comparable period of fiscal 2018. The variation is mainly due to a gain of $82.4 million resulting from the sale of Cogeco Peer 1 combined with higher adjusted EBITDA;
- Free cash flow, from continuing operations, increased by 33.8% to reach $137.0 million. On a constant currency basis, free cash flow increased by 33.4% as a result of higher adjusted EBITDA combined with decrease in financial expense;
- Cash flow from operating activities increased by 58.9% to reach $265.6 million mainly due to higher adjusted EBITDA and decreases in income taxes paid and financial expense paid, partly offset by the increase in changes in non-cash operating activities primarily due to changes in working capital;
- The Corporation released its fiscal 2020 preliminary financial guidelines. On a constant currency basis, the Corporation expects fiscal 2020 revenue to grow between 2% and 4%, adjusted EBITDA between 2.5% and 4.5%, acquisition of property, plant and equipment should reach between $460 million and $480 million and free cash flow is expected to grow between 5% and 11%; and
- At its July 10, 2019 meeting, the Board of Directors of Cogeco Communications declared a quarterly eligible dividend of $0.525 compared to $0.475 per share in the comparable quarter of fiscal 2018.

“Once again we are very satisfied with our overall quarterly performance as the results of the third quarter of fiscal 2019 are in line with expectations,” declared Philippe Jetté, President and Chief Executive Officer of Cogeco Communications Inc.

“We reported strong growth in adjusted EBITDA resulting from our ongoing operational improvement initiatives at Cogeco Connexion,” stated Mr. Jetté.

“At Atlantic Broadband, we continue to see solid organic growth,” added Mr. Jetté. “We are seeing the benefits of our amplified marketing activities with a significant increase in our primary service units, demonstrating our American broadband services segment’s position as a growth driver for Cogeco Communications.”

“On April 30 we completed the sale of Cogeco Peer 1, our Business information and communications technology subsidiary, to affiliates of Digital Colony. This transaction resulted in a gain and allows the Corporation to focus on the growth of our broadband business,” concluded Mr. Jetté.

ABOUT COGECO COMMUNICATIONS

Cogeco Communications Inc. is a communications corporation. It is the 8th largest cable operator in North America, operating in Canada under the Cogeco Connexion name in Québec and Ontario, and along the East Coast of the United States under the Atlantic Broadband brand (in 11 states from Maine to Florida). The Corporation provides residential and business customers with Internet, video and telephony services through its two-way broadband fibre networks. Cogeco Communications Inc.'s subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CCA).

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Analyst Conference Call:

Thursday, July 11, 2019 at 11:00 a.m. (Eastern Daylight Time)
Media representatives may attend as listeners only.

Please use the following dial-in number to have access to the conference call by dialing five minutes before the start of the conference:

Canada/United States Access Number: **1-877-291-4570**
International Access Number: **+ 1-647-788-4919**

In order to join this conference, participants are only required to provide the operator with the company name, that is, Cogeco Inc. or Cogeco Communications Inc.

By Internet at http://corpo.cogeco.com/cca/en/investors/investor-relations

COGECO COMMUNICATIONS

SHAREHOLDERS' REPORT

Three and nine-month periods ended May 31, 2019

FINANCIAL HIGHLIGHTS

(in thousands of dollars, except percentages and per share data)	Three months ended May 31, 2019 $	May 31, 2018[1] $	Change %	Change in constant currency[2] %	Foreign exchange impact[2] $	Nine months ended May 31, 2019 $	May 31, 2018[1] $	Change %	Change in constant currency[2] %	Foreign exchange impact[2] $
Operations										
Revenue	587,345	567,079	3.6	1.7	10,849	1,748,147	1,581,220	10.6	8.3	35,006
Adjusted EBITDA[3]	283,927	267,933	6.0	4.3	4,514	832,330	743,407	12.0	10.0	14,811
Adjusted EBITDA margin[3]	48.3%	47.2%				47.6%	47.0%			
Integration, restructuring and acquisition costs[4]	1,003	2,260	(55.6)			10,438	18,651	(44.0)		
Profit for the period from continuing operations	99,571	70,525	41.2			264,505	308,708	(14.3)		
Profit (loss) for the period from discontinued operations	82,451	(5,365)	—			73,460	(23,329)	—		
Profit for the period	182,022	65,160	—			337,965	285,379	18.4		
Profit for the period attributable to owners of the Corporation	179,064	61,825	—			325,583	279,132	16.6		
Cash flow										
Cash flow from operating activities	265,551	167,073	58.9			564,009	365,310	54.4		
Acquisitions of property, plant and equipment[5]	96,116	98,660	(2.6)	(5.2)	2,629	289,446	295,489	(2.0)	(4.9)	8,413
Free cash flow[3]	136,999	102,408	33.8	33.4	421	369,809	254,111	45.5	44.9	1,551
Capital intensity[3]	16.4%	17.4%				16.6%	18.7%			
Financial condition[6]										
Cash and cash equivalents						447,737	84,725	—		
Total assets						6,887,752	7,180,043	(4.1)		
Indebtedness[7]						3,513,567	3,914,711	(10.2)		
Equity attributable to owners of the Corporation						2,180,933	1,997,169	9.2		
Per Share Data[8]										
Earnings (loss) per share										
Basic										
From continuing operations	1.96	1.36	44.1			5.11	6.14	(16.8)		
From discontinued operations	1.67	(0.11)	—			1.49	(0.47)	—		
From continuing and discontinued operations	3.62	1.25	—			6.59	5.66	16.4		
Diluted										
From continuing operations	1.94	1.35	43.7			5.07	6.08	(16.6)		
From discontinued operations	1.65	(0.11)	—			1.48	(0.47)	—		
From continuing and discontinued operations	3.59	1.24	—			6.54	5.61	16.6		
Dividends	0.525	0.475	10.5			1.575	1.425	10.5		

(1) Fiscal 2018 was restated to comply with IFRS 15 and to reflect a change in accounting policy as well as to reclassify results from Cogeco Peer 1 as discontinued operations. For further details, please consult the "Accounting policies" and "Discontinued operations" sections of the MD&A.

(2) Key performance indicators presented on a constant currency basis are obtained by translating financial results of the current periods denominated in US dollars at the foreign exchange rates of the comparable periods of the prior year. For the three and nine-month periods ended May 31, 2018, the average foreign exchange rates used for translation were 1.2846 USD/CDN and 1.2664 USD/CDN, respectively.

(3) The indicated terms do not have standardized definitions prescribed by the International Financial Reporting Standards ("IFRS") and, therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the "Non-IFRS financial measures" section of the MD&A.

(4) For the three and nine-month periods ended May 31, 2019 integration, restructuring and acquisition costs were mostly due to restructuring costs in the Canadian broadband services segment and were related to an operational optimization program during the first half of fiscal 2019. For the three and nine-month periods ended May 31, 2018, integration, restructuring and acquisition costs were related to the MetroCast acquisition completed on January 4, 2018.

(5) For the three and nine-month periods ended May 31, 2019, acquisitions of property, plant and equipment in constant currency amounted to $93.5 million and $281.0 million, respectively.

(6) At May 31, 2019 and August 31, 2018.

(7) Indebtedness is defined as the aggregate of bank indebtedness, balance due on a business combination and principal on long-term debt.

(8) Per multiple and subordinate voting share.