COGECO COMMUNICATIONS

News release

For immediate release

Cogeco Cable Inc. Releases Its Financial Results For Fiscal 2015 Third Quarter

- *Third quarter revenue increased by 4%, or $20 million, to reach $516.4 million;*
- *Adjusted EBITDA(1) increased by $10.4 million, or 4.5%, to reach $239.8 million;*
- *The Corporation's wholly-owned American subsidiary, Atlantic Broadband, entered into a definitive agreement on June 8, 2015, to purchase MetroCast Communications of Connecticut, LLC; and*
- *Cogeco Cable announces its fiscal 2016 preliminary financial guidelines and expects adjusted EBITDA to grow between 4% to 7% and free cash flow between 15% to 25%.*

Montréal, July 14, 2015 – Today, Cogeco Cable Inc. (TSX: CCA) ("Cogeco Cable" or the "Corporation") announced its financial results for the third quarter of fiscal 2015, ended May 31, 2015.

For the third quarter and first nine months of fiscal 2015:

- Third-quarter revenue increased by $20.0 million, or 4.0%, to reach $516.4 million mainly driven by growth of 19.4% in the American cable services segment as a result of favorable exchange rates compared to last year, Primary service unit ("PSU")(2) growth as well as rate increases. For the nine-month period ended May 31, 2015, revenue increased by $65.5 million, or 4.5% to reach over $1.5 billion driven by growth of 0.7% in the Canadian cable services segment, 17.7% in the American cable services segment and 3.2% in the Enterprise data services segment. Revenue increased mainly from the improvement in the American and the Canadian cable services segments combined with favorable foreign exchange rates for our foreign operations compared to last year;

- Adjusted EBITDA increased by $10.4 million, or 4.5%, to reach $239.8 million compared to the third quarter of fiscal 2014 mainly as a result of the improvement of the American cable services segment combined with favorable foreign exchange rate. For the first nine months, adjusted EBITDA increased by $27.4 million, or 4.1%, to reach $689.9 million compared to the first nine months of the prior year. The progression resulted mainly from the improvement of all the operating segments as well as the favorable foreign exchange rates for our foreign operations compared to the same period of last year;

- Operating margin(1) increased from 46.2% to 46.4% in the third quarter mainly as a result of the improvement in the Enterprise data services segment. Operating margin slightly decreased to 45.3% from 45.5% in the first nine months compared to the same periods of the prior year mainly as a result of the higher proportion of the American cable services segment which generates lower margin, partly offset by the improvement in the Canadian cable services and the Enterprise data services segments;

- Third-quarter profit for the period amounted to $64.1 million, or $1.31 per share, compared to $35.5 million, or $0.73 per share in fiscal 2014, an increase of 80.6%. For the first nine months of fiscal 2015, profit for the period amounted to $179.8 million, or $3.68 per share, compared to $145.6 million, or $2.99 per share for the comparable period of last year, representing an increase of 23.5%. Profit progression for both periods is mainly due to the improvement in adjusted EBITDA combined with last year's impairment of property, plant and equipment of $32.2 million, partly offset by increases in financial expense and income taxes;

- Third-quarter free cash flow(1) decreased by $15.3 million, or 16.8%, to reach $75.8 million compared to $91.1 million in the third quarter of fiscal 2014. For the nine-month period ended May 31, 2015, free cash flow decreased by $38.6 million to reach $213.9 million compared to $252.5 million for the same period of fiscal 2014. The decline for both

periods is mainly due to the increases in acquisitions of property, plant and equipment and in financial expense, partly offset by the improvement of adjusted EBITDA. The increase in capital expenditures is essentially attributable to the construction by Cogeco Data Services of all remaining pods (pods 2, 3 and 4) at the Barrie, Ontario data centre and of pod 1 at a new data centre in Montréal, Québec;

• Fiscal 2015 third-quarter cash flow from operating activities reached $197.3 million compared to $184.4 million, representing an increase of $12.8 million, or 7.0%, compared to fiscal 2014 third-quarter. The variation for the quarter is mainly due to the improvement in adjusted EBITDA and in changes in non-cash operating activities. For the first nine months, cash flow from operating activities decreased by $11.6 million to reach $417.6 million compared to $429.2 million for the same period of fiscal 2014. The decrease for the period is mainly attributable to the decrease in changes in non-cash operating activities and the increase in financial expense paid, partly offset by the improvement of adjusted EBITDA;

• A quarterly eligible dividend of $0.35 per share was paid to the holders of subordinate and multiple voting shares, representing an increase of $0.05 per share, or 16.7%, compared to a dividend of $0.30 per share paid in the third quarter of fiscal 2014. Dividend payments in the first nine months totaled $1.05 per share in fiscal 2015 compared to $0.90 in the comparable period of fiscal 2014;

• The Corporation released its fiscal 2016 preliminary financial guidelines and expects adjusted EBITDA to grow between 4% to 7% and free cash flow between 15% to 25% while the capital intensity should range between 20% and 20.5%;

• At its July 14, 2015 meeting, the Board of Directors of Cogeco Cable declared a quarterly eligible dividend of $0.35 per share for multiple voting and subordinate voting shares payable on August 11, 2015;

• On July 14, 2015, Cogeco Cable Inc. and its parent company, COGECO Inc. ("COGECO"), amended the Management Services Agreement in place since 1993, which was amended once eighteen years ago in 1997. The amendment takes into account the significant expansion of the business activities of Cogeco Cable in recent years, both by virtue of internal growth and its several acquisitions and a better alignment of management fees with the costs, time and resources committed by COGECO to provide such services to the Corporation. Starting in fiscal 2016, Cogeco Cable Inc. will pay monthly fees equal to 0.85% of its consolidated revenue to COGECO;

• On June 8, 2015, Atlantic Broadband, a wholly-owned subsidiary of Cogeco Cable Inc., entered into an agreement with MetroCast Communications of Connecticut, LLC ("MetroCast Connecticut") and its parent Harron Communications, L.P. to acquire substantially all of the assets of MetroCast Connecticut which serves about 23,000 Television, 22,000 High Speed Internet and 8,000 Telephony customers. The transaction is valued at US$200 million, subject to customary closing adjustments, and expected to be financed through non-recourse debt financing at Atlantic Broadband. The transaction is subject to usual closing conditions, regulatory approvals and other customary conditions. The Corporation expects the transaction to close around September 1, 2015; and

• As a part of a process initiated in the previous months, the Corporation announced, on May 5, 2015, the restructuring of its Enterprise data services segment by combining the strengths of its two subsidiaries Cogeco Data Services and Peer 1 Hosting. This combination represents a growth opportunity for Cogeco Cable by bringing the teams and capabilities together and therefore, positioning it to increase operational efficiencies, streamline the product offerings and leverage the global footprint. The restructuring process should result in estimated annual costs savings of $10 million. In addition, the Corporation revised its financial guidelines for the 2015 fiscal year to reflect the integration and restructuring costs estimated at $15 million of which $6.7 million was recognized for the first nine months ended May 31, 2015. Expected profit for the year was decreased by $10 million to reach $250 million and free cash flow by $15 million to reach $275 million to reflect such costs.

(1) The indicated terms do not have standard 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 Management's discussion and analysis ("MD&A").

(2) Represents the sum of Television, High Speed Internet ("HSI") and Telephony service customers.

"Our results are in line with expectations for the third quarter of fiscal year 2015," declared Louis Audet, President and Chief Executive Officer of Cogeco Cable Inc. "We continue to focus on expanding our service offering and on improving our customer experience while maintaining a rigorous cost control discipline in how we leverage our spending as well as continuing to seize on growth opportunities. We are also excited to continue our strategic expansion in the United States through our Atlantic Broadband subsidiary's recent agreement to purchase Metrocast

Connecticut. In our Enterprise Data Services segment, we have positioned ourselves for growth this past quarter, by joining the forces of our Cogeco Data Services and Peer 1 Hosting subsidiaries, building on our current strengths in this thriving sector," concluded Louis Audet.

ABOUT COGECO CABLE

Cogeco Cable Inc. (corpo.cogeco.com) is a telecommunications corporation. It is the 11th largest cable operator in North America operating in Canada under the Cogeco Cable Canada name in Québec and Ontario, and in the United States under the Atlantic Broadband name in Western Pennsylvania, South Florida, Maryland/Delaware and South Carolina. Its two-way broadband fibre networks provide to its residential and business customers analogue and digital television, high speed Internet and telephony services. Through its combined subsidiaries, Cogeco Data Services and Peer 1 Hosting, Cogeco Cable Inc. provides to its business customers a suite of information technology services (data transport, colocation, cloud and managed services and dedicated hosting), with 20 data centres as well as more than 50 points-of-presence in North America and Europe. Cogeco Cable Inc.'s subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CCA).

Source:

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Analyst Conference Call: Wednesday, July 15, 2015 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: **1 800-524-8950**

International Access Number: **+ 1 416-260-0113**

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By Internet at https://corpo.cogeco.com/cca/en/investors/finances/financial-reports

A rebroadcast of the conference call will be available until July 21, 2015, by dialing: Canada and United States access number: **1 888-203-1112**

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