COGECO COMMUNICATIONS

News release

For immediate release

Cogeco Communications Inc. Announces That Atlantic Broadband Will Acquire All Of The MetroCast Cable Systems

Montréal, Québec and Quincy, MA, July 10, 2017 – Today **Cogeco Communications Inc.** (TSX: CCA) announced that its subsidiary, **Atlantic Broadband** has entered into a definitive agreement with **Harron Communications, L.P.** to purchase all of its cable systems operating under the MetroCast brand name ("MetroCast"). Cogeco Communications will finance this acquisition through its Atlantic Broadband subsidiary with a combination of committed secured debt provided by two banks and an equity investment by Caisse de dépôt et placement du Québec ("CDPQ").

MetroCast's networks pass close to 236,000 homes and businesses in New Hampshire, Maine, Pennsylvania, Maryland and Virginia and serve approximately 120,000 Internet, 76,000 video and 37,000 telephony customers. Calendar 2017 revenue is expected to be US$230 million and Adjusted EBITDA is projected to be US$121 million.

"The acquisition of the MetroCast cable systems allows Atlantic Broadband to increase its presence in the growing and lucrative U.S. cable market," said Louis Audet, President and Chief Executive Officer of Cogeco Communications Inc., the parent company of Atlantic Broadband. "The MetroCast systems are a strong strategic fit for Atlantic Broadband. With this acquisition, we are increasing our customer base in attractive markets adjacent to the ones we currently serve. Under the guidance of Atlantic Broadband's best-in-class management team, we are in a unique position to grow our customer base, revenues and profits."

"We are delighted to be partnering with CDPQ in this transaction, providing us with a long-term partner with a similar vision. The partnership will enable us to pursue our growth objectives in the U.S. cable market in the future. CDPQ's investment also highlights the value of these assets and our U.S. business, as well as the growth opportunity embedded in these businesses," concluded Mr. Audet.

"As a long-term investor, CDPQ seeks opportunities to invest in businesses that are resilient to economic cycles, are led by experienced teams and have the ability to sustain growth over time. Cogeco is a good example of this, and we look forward to investing by its side as it pursues its North American expansion," says Christian Dubé, Executive Vice-President, Québec, at Caisse de dépôt et placement du Québec.

"After our highly successful acquisition and integration of the MetroCast Connecticut system almost two years ago, we understand first-hand the sizable residential and business growth potential that we can expect with the remaining MetroCast systems. We have a proven integration plan and a track record of successfully migrating our platforms and service offerings," said Atlantic Broadband President and Chief Executive Officer, Richard Shea. "These well-maintained systems deliver attractive demographics which make them ideal for our suite of residential video, Internet and telephony services as well as our business services. We look forward to welcoming MetroCast customers and employees to Atlantic Broadband."

Acquisition Rationale

- Adds scale in the American Broadband services segment which continues to exhibit steady growth and is expected to keep generating strong operating margins. Atlantic Broadband's Primary Service Units (PSU) will increase from approximately 602,000 to 835,000 pro forma the acquisition.
- MetroCast's systems are largely located in non-metropolitan markets with very attractive demographic profiles and market dynamics.

- Opportunity to leverage Atlantic Broadband's product and sales expertise to quickly increase the customer base and deliver superior growth.
- High quality, fully digital network, comprised of 860 MHz or fiber to the home in 95% of the network, and providing 150 Mbps Internet service across its footprint.
- Minimal execution risk due to management's prior successful experience integrating MetroCast's Connecticut system, and the common service delivery and back office platforms.
- Further establishes Atlantic Broadband as a strategic platform in the U.S. with a diversified geographical footprint from Maine to Florida.

Valuation Highlights and Acquisition Financing

Substantially all of the assets of MetroCast will be purchased for US$1.4 billion. In conjunction with the transaction, Atlantic Broadband expects to realize tax benefits with a present value of approximately US$310 million. These benefits are mostly due to the tax amortization of intangible assets in an asset purchase transaction where such intangible assets are stepped up to current market value. After adjusting for these tax benefits, the purchase price represents a multiple of approximately 9.0x Calendar 2017 expected Adjusted EBITDA for the business being acquired. The purchase price is subject to customary closing adjustments.

The acquisition financing structure preserves Cogeco Communications Inc.'s strong financial position. CDPQ has committed a US$315 million equity investment for a 21% interest in Atlantic Broadband's holding company, while the remaining balance of the purchase price and transaction costs will be financed through a committed secured debt financing provided by two banks at Atlantic Broadband, which is non-recourse to Cogeco Communications Inc. CDPQ's equity interest represents an implied multiple of approximately 8.8x Calendar 2017 expected Adjusted EBITDA of Atlantic Broadband pro forma for the acquisition of MetroCast, and adjusted for the present value of various tax benefits estimated at approximately US$420 million related to the tax amortization of the intangible assets acquired and the current tax losses carried forward at Atlantic Broadband.

The transaction is subject to regulatory approvals along with other customary closing conditions and is expected to close in January 2018.

Advisors

Credit Suisse is acting as exclusive financial advisor to Cogeco Communications Inc. Credit Suisse and BofA Merrill Lynch are providing the committed debt financing for the transaction. Stikeman Elliott S.E.N.C.R.L., s.r.l. and Kirkland & Ellis LLP are acting as legal advisors to Cogeco Communications Inc. Morgan, Lewis & Bockius LLP is acting as legal advisor to Harron Communications, L.P. CIBC Capital Markets and Osler, Hoskin & Harcourt LLP are acting as advisors to CDPQ.

ABOUT ATLANTIC BROADBAND

Atlantic Broadband, a wholly-owned subsidiary of Cogeco Communications Inc., is the 9th largest cable operator in the United States, based on the number of television service customers served. The company currently provides video, Internet and telephony services to approximately 239,000 television service customers located in five operating regions: western Pennsylvania, Miami Beach, Maryland/Delaware, Aiken, S.C. and eastern Connecticut. Atlantic Broadband is headquartered in Quincy, Massachusetts. Additional information is available at www.atlanticbb.com.

ABOUT COGECO COMMUNICATIONS INC.

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 in the United States under the Atlantic Broadband name. Cogeco Communications Inc. provides its residential and business customers with video, Internet and telephony services through its two-way broadband fibre networks. Through its subsidiary Cogeco Peer 1, Cogeco Communications Inc. provides its business customers with a suite of information technology services (colocation, network connectivity, hosting, cloud and managed services), through its 16 data centres, extensive FastFiber Network® and more than 50 points of presence in North America and Europe. Cogeco Communications Inc.'s subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CCA).

ABOUT CAISSE DE DÉPOT ET PLACEMENT DU QUÉBEC

Caisse de dépôt et placement du Québec (CDPQ) is a long-term institutional investor that manages funds primarily for public and parapublic pension and insurance plans. As at December 31, 2016, it held $270.7 billion in net assets. As

one of Canada's leading institutional fund managers, CDPQ invests globally in major financial markets, private equity, infrastructure, real estate and private debt. For more information, visit cdpq.com, follow us on Twitter @LaCDPQ or consult our Facebook or LinkedIn pages.

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Analyst Conference Call: Monday, July 10, 2017 at 8:15 a.m. (Eastern Daylight Time)

Please use the following dial-in number to have access to the conference call by dialing 5 to 10 minutes before the start of the conference:

Canada/USA Access Number: 1-877-291-4570

International Access Number: 1-647-788-4919

IMPORTANT NOTE: In order to join this conference, participants are only required to provide the operator with the company name, that is, Cogeco Communications Inc. No confirmation code is required.

A live audio webcast with a presentation will be available on Cogeco's web site at https://corpo.cogeco.com/cca/en/investors/finances/financial-reports. The webcast will be available on Cogeco's website for a three-month period. Members of the financial community will be able to access the conference call and ask questions. Media representatives may attend as listeners only.

NON-IFRS MEASURES

Financial information related to MetroCast is based on accounting principles generally accepted in the United States ("US GAAP") which differ from International Financial Reporting Standards ("IFRS") used to prepare Cogeco Communications' consolidated financial statements. Cogeco Communications has presented in this press release a multiple of tax adjusted purchase price based on the expected pro forma Adjusted EBITDA of the business being acquired for the year ending December 31, 2017 and a multiple of tax adjusted equity value for Atlantic Broadband based on the expected pro forma Adjusted EBITDA of Atlantic Broadband for the year ending December 31, 2017. Adjusted EBITDA is a financial measure that does not have a standard definition prescribed by either US GAAP or IFRS and, therefore, may not be comparable to similar measures presented by other companies. Adjusted EBITDA represents profit (loss) before income taxes, financial expense, depreciation and amortization, adjusted to exclude the impairment of goodwill and intangible assets, claims and litigations and integration, restructuring and acquisition costs, which are non-recurring items. Adjusted EBITDA is a key measure to value the financial strength of the operating performance of the business being acquired. Cogeco Communications' estimation of the expected Adjusted EBITDA of the business being acquired for the year ending December 31, 2017 is based on financial information that was prepared by the current management of MetroCast. Cogeco Communications has not provided a quantitative reconciliation of the non-IFRS or non US GAAP financial measures included in this press release to the most comparable financial measures presented in accordance with IFRS due to the forward looking nature of the financial information being presented.

FORWARD-LOOKING STATEMENTS

Certain statements in this press release may constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to Cogeco Communications, Atlantic Broadband and MetroCast's future outlook and anticipated events, business, operations, financial performance, financial condition or results and,

in some cases, can be identified by terminology such as "may"; "will"; "should"; "expect"; "plan"; "anticipate"; "believe"; "intend"; "estimate"; "predict"; "potential"; "continue"; "foresee", "ensure" or other similar expressions concerning matters that are not historical facts. In particular, statements regarding Cogeco Communications, Atlantic Broadband and MetroCast's future operating results and economic performance, Cogeco Communications' intention to finance the purchase price through non-recourse debt and equity to be issued by Atlantic Broadband, the estimated tax benefits of the acquisition of assets rather than shares and of the tax losses carry-forwards, the expected pro forma Adjusted EBITDA of the business being acquired for the year ending December 31, 2017, the expected timing of closing of the Transaction and its objectives and strategies are forward-looking statements. These statements are based on certain factors and assumptions including expected growth, results of operations, purchase price allocation, tax rates and tax losses carry-forwards, weighted average cost of capital, performance and business prospects and opportunities, which Cogeco Communications, Atlantic Broadband and MetroCast believe are reasonable as of the current date. While management considers these assumptions to be reasonable based on information currently available to Cogeco Communications, they may prove to be incorrect. Cogeco Communications cautions the reader that the economic downturn experienced over the past few years makes forward-looking information and the underlying assumptions subject to greater uncertainty and that, consequently, they may not materialize, or the results may significantly differ from Cogeco Communications' expectations. It is impossible for Cogeco Communications to predict with certainty the impact that current economic uncertainties may have on future results. Forward-looking information is also subject to certain factors, including risks and uncertainties (described in the "Uncertainties and main risk factors" section of Cogeco Communications' 2016 annual MD&A) that could cause actual results to differ materially from what Cogeco Communications currently expects. These factors include, namely, risks pertaining to markets and competition, technology, regulatory developments, operating costs, information systems, disasters or other contingencies, financial risks related to capital requirements, human resources, controlling shareholder and holding structure, many of which are beyond Cogeco Communications' control. Therefore, future events and results may vary significantly from what management currently foresees. In addition, Cogeco Communications' and MetroCast's ability to close the transaction within the expected timeframe, if at all, is dependent upon the parties' ability to comply with the closing conditions, some of which are beyond the control of the parties. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While management may elect to, Cogeco Communications is under no obligation and does not undertake to, update or alter this information at any particular time, except as may be required by law.