COGECO COMMUNICATIONS

News release

For immediate release

Cogeco Communications Inc. announces the sale of Cogeco Peer 1 to Digital Colony

Montréal, February 27, 2019 – Cogeco Communications Inc. (TSX: CCA) ("Cogeco Communications" or the "Corporation") today announced that it has reached an agreement to sell Cogeco Peer 1 Inc., its business information and communications technology services subsidiary, to affiliates of Digital Colony, a global investment firm dedicated to strategic opportunities in digital infrastructure.

The transaction is valued at C$720 million and is subject to certain closing adjustments. The Corporation currently expects to use a significant portion of the net proceeds from this sale to repay amounts outstanding under the Corporation's term revolving facility and, subject to the approval of the Toronto Stock Exchange, to repurchase subordinate voting shares under a normal course issuer bid to be implemented after the closing of the transaction.

As part of this transaction, Cogeco Communications will retain significant fibre capacity in Toronto and Montréal. In addition, Cogeco Communications and Digital Colony have signed a commercial agreement aimed at better supporting their customers and further developing their respective businesses in the future.

"Since Cogeco Communications acquired Peer 1 Hosting in 2013, the data centre and connectivity markets have evolved and consolidated significantly," said Philippe Jetté, President and Chief Executive Officer of Cogeco Communications Inc. "In this context, we made the decision to focus Cogeco Communications' resources on our Canadian and American broadband services businesses. This transaction will provide greater flexibility to pursue organic investment and acquisition opportunities."

"On behalf of Cogeco Communications, I would like to personally thank the entire Cogeco Peer 1 team which has been dedicated to partnering with and working tirelessly for its customers around the world," added Mr. Jetté. "We are confident that Cogeco Peer 1's customers and employees will benefit from the support and expertise that Digital Colony can offer them."

The completion of the transaction is subject to certain customary closing conditions, including receipt of certain regulatory approvals, and is expected to occur during the third fiscal quarter of 2019. Cogeco Peer 1 will remain headquartered in Toronto and adopt a new brand.

BMO Capital Markets is acting as the exclusive financial advisor to Cogeco Communications and Stikeman Elliott LLP is providing legal advice.

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 along the East Coast of the United States under the Atlantic Broadband brand (in 11 states from Maine to Florida). Cogeco Communications Inc. provides residential and business customers with Internet, video and telephony services through its two-way broadband fibre networks. Through its subsidiary Cogeco Peer 1, Cogeco Communications Inc. provides business customers with a suite of information technology services (colocation, network connectivity, hosting, cloud and managed services), by way of 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).

INFORMATION :

Marie-Hélène Labrie

Senior Vice President, Public Affairs & Communications

Cogeco Inc.

(514) 764-4700

marie-helene.labrie@cogeco.com

FORWARD-LOOKING STATEMENTS:

Certain statements contained in this press release may constitute forward-looking information within the meaning of securities laws. Forward-looking information generally can be identified by terminology such as "will" and "expect", the negative of these terms or other similar expressions concerning matters that are not historical facts. More particularly and without restriction, this press release contains forward-looking statements and information regarding the anticipated benefits of the proposed transactions for the Corporation, the future plans, objectives and intentions of the Corporation, the expected use of proceeds of the transaction, the anticipated timing of the completion of the transaction and the implementation of a normal course issuer bid subject to the approval of the Toronto Stock Exchange. In respect of the forward-looking statements and information concerning the anticipated benefits and timing of the completion of the proposed transaction, the Corporation has provided such statements and information in reliance on certain assumptions that it believes are reasonable at this time, including assumptions as to the ability of the parties to receive, in a timely manner and on satisfactory terms, the necessary regulatory approvals; the ability of the parties to satisfy, in a timely manner, the other conditions to the completion of the transaction; and other expectations and assumptions concerning the proposed transaction. The anticipated timing for the completion of the transaction may change for a number of reasons, including the inability to receive, in a timely manner, the necessary regulatory approvals and the necessity to extend the time limits for satisfying the other conditions to the completion of the proposed transaction. Although the Corporation believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct, that the proposed transaction will be completed or that it will be completed on the terms and conditions contemplated in this press release.

Risks and uncertainties inherent in the nature of the proposed transaction include, without limitation, the failure of the parties to obtain the necessary regulatory approvals or to otherwise satisfy the conditions to the completion of the transaction; failure of the parties to obtain such approvals or satisfy such conditions in a timely manner; significant transaction costs or unknown liabilities; the failure to realize the expected benefits of the transaction; and general economic conditions. Failure to obtain the necessary regulatory approvals, or the failure of the parties to otherwise satisfy the conditions to the completion of the transaction or to complete the transaction, may result in the transaction not being completed on the proposed terms, or at all. In addition, if the transaction is not completed, there are risks that the announcement of the proposed transaction and the dedication of substantial resources to the completion of the transaction could have an impact on the Corporation's business and strategic relationships (including with future and prospective employees, customers, suppliers and partners), operating results and activities in general, and could have a material adverse effect on its current and future operations, financial condition and prospects. The reader should not place undue importance on forward-looking information contained in this press release which represent Cogeco Communications' expectations as of the date of this press release (or as of the date they are otherwise stated to be made) and are subject to change after such date. While Management may elect to do so, the Corporation is under no obligation (and expressly disclaims any such obligation) and does not undertake to update or alter this information at any particular time, whether as a result of new information, future events or otherwise, except as required by law.