PRESS RELEASE
For immediate release

Cogeco Cable reports Q4 and Fiscal 2012 financial results

- ***Achieves increases of 8% of its revenue and operating income before depreciation and amortization[(1)] for fiscal 2012;***
- ***Declares an increase of its quarterly dividend by 4%***

Montréal, November 1, 2012 – Today, Cogeco Cable Inc. (TSX: CCA) ("Cogeco Cable" or the "Corporation") announced its financial results for the fourth quarter and fiscal year 2012, ended August 31, 2012, in accordance with International Financial Reporting Standards ("IFRS").

For the fourth quarter and fiscal 2012:

- Revenue increased by 6.2% to reach $324.8 million, and by 7.9% to reach $1.278 billion;
- Operating income before depreciation and amortization increased by 6.1% to $160.8 million compared to the fourth quarter of fiscal 2011, and by 8% to $589.1 million compared to the prior fiscal year;
- Operating margin[(1)] decreased in the quarter to 49.5% from 49.6% and increased in the year to 46.1% from 46% when compared to the same periods of the prior year;
- Profit for the period from continuing operations amounted to $45.7 million in the fourth quarter when compared to $62.7 million for the same period of the previous fiscal year. For fiscal 2012, profit for the year from continuing operations amounted to $169.5 million when compared to $199.2 million for fiscal 2011. Profit declined for the fourth quarter and fiscal 2012 and is mostly attributable to the increase in depreciation and amortization expense due to the reduction of depreciation period for certain property plant and equipment combined with the increase in income taxes from the change in the corporate income tax rate recently announced by the Ontario government, partly offset by the increase in operating income before depreciation and amortization;
- Profit for the period amounted to $45.7 million in the fourth quarter when compared to $69 million for the same period of the previous fiscal year. The decrease is mostly attributable to an increase in income tax expense stemming primarily from the increase in income taxes from the change in the corporate income tax rate recently announced by the Ontario government and the increase of depreciation and amortization expense due to the reduction of the depreciation period of certain property, plant and equipment. For fiscal 2012, profit for the year amounted to $225 million when compared to a loss of $45.6 million for the prior year. The increase is mostly attributable to the write-off of the Corporation's net investment in the Portuguese subsidiary recorded through a non-cash impairment loss in the amount of $225.9 million during the third quarter of fiscal 2011, the improvement of operating income before depreciation and amortization and the gain on disposal of the Portuguese subsidiary in fiscal 2012, partly offset by the increase of depreciation and amortization expense due to the reduction of the depreciation period of certain property, plant and equipment;
- Free cash flow[(1)] reached $2.6 million for the quarter compared to $24 million in the comparable quarter of the prior year. For fiscal 2012, free cash flow amounted to $66.3 million, compared to $114.8 million in fiscal 2011. Free cash flow decreased in both periods over the prior year due to an increase in acquisitions of property, plant and equipment and intangible and other assets combined with the increase in current income tax expense stemming primarily from the fiscal 2011 modifications to the corporate structure, partly offset by the increase in operating income before depreciation and amortization;
- Primary service units ("PSU")[(2)] grew by 6,959 in the quarter and 71,664 in fiscal 2012, for a total of 1,969,133 PSU at August 31, 2012;

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(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 Results overview.

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

- A quarterly dividend of $0.25 per share was paid to the holders of subordinate and multiple voting shares, an increase of $0.05 per share, or 25%, when compared to a dividend of $0.20 per share paid in the fourth quarter of fiscal 2011. Dividend payments totalled $1 per share in fiscal 2012, compared to $0.71 per share in fiscal 2011, an increase of $0.29 per share, or 40.8%;

- On November 1, 2012, Cogeco Cable declared an eligible dividend of $0.26 per share, an increase of 4% when compared to the $0.25 dividend per share paid in the fourth quarter of fiscal 2012;

- On July 18, 2012, the Corporation announced an agreement to acquire all of the shares of Atlantic Broadband ("Atlantic") an independent cable system operator formed in 2003 which, at August 31, 2012, was serving about 251,000 Television service customers providing Analogue and Digital Television, as well as High Speed Internet (“HSI”) and Telephony services. Ranked the 13th-largest cable television system operator in the United States, Atlantic operates cable systems in Pennsylvania, Florida, Maryland, Delaware and South Carolina. The transaction is valued at US$1.36 billion and expected to be financed through a combination of cash on hand, a draw-down on its existing Term Revolving Facility of approximately US$550 million and US$660 million of borrowings under a new committed non-recourse debt financing at Atlantic. The transaction is subject to usual closing conditions, including Hart-Scott-Rodino Antitrust Improvements Act approval, Federal Communications Commission (“FCC”) approval, state and local regulatory approvals and other customary conditions. The Corporation expects the transaction to close by the end of calendar 2012; and

- On February 29, 2012, the Corporation completed the sale of its Portuguese subsidiary, Cabovisão – Televisão por Cabo, S.A. (“Cabovisão”) for a cash consideration of €45 million, or approximately $59.3 million. Operating results from European operations have therefore been classified as discontinued operations.

“Cogeco Cable’s financial results for fiscal 2012 continue to reflect the vitality and growth for which your Corporation is known. Driven to attain our corporate goals, we are proud of having met the great majority of those we set for ourselves for this fiscal year 2012 as revised last July. In the residential services area, deployment of the DOCSIS 3.0 technology continued and 83% of our customers now enjoy very high speed Internet service, among the fastest in the territories we serve. In the commercial services area, Cogeco Cable continues to see strong growth among small and medium-sized enterprises.

Cogeco Data Services (“CDS”), our Enterprise services subsidiary, moved ahead successfully in integrating the operations of Toronto-based Quiettouch Inc. (“QTI”) and Montréal-based MTO Telecom Inc. (“MTO”), both acquired in 2011. Today, this sector enables us to anticipate highly satisfactory organic growth of more than 10% annually over the coming years”, declared Louis Audet, President and Chief Executive Officer of Cogeco Cable.

Mr.Audet added, “Fiscal 2013 will be a time of North American expansion as Cogeco Cable extends its operations south of the border as a result of the upcoming closing of the acquisition of Atlantic, an independent cable system operator serving about 251,000 television service customers and fully develops its great potential. This acquisition offers substantial growth opportunities for Cogeco Cable, including higher penetration among small and medium-sized enterprises, as well as the potential to optimize the packaging of services in the residential area. Following this transaction, Cogeco Cable will serve more than 1.1 million Television service customers in Canada and the United States.”

Fiscal 2013 Financial Guidelines

Cogeco Cable’s maintains its fiscal 2013 financial guidelines, as issued on July 11, 2012. Fiscal 2013 financial guidelines will be revised once the recently announced acquisition of Atlantic is concluded. Please consult the “Fiscal 2013 financial guidelines” section of the Corporation’s 2012 Annual Report for further details.

FINANCIAL HIGHLIGHTS

(in thousands of dollars, except percentages, PSU growth and per share data)	Quarters ended August 31, **2012** **$**	2011 $	Change %	Years ended August 31, **2012** **$**	2011 $	Change %
Operations						
Revenue	**324,768**	305,811	6.2	**1,277,698**	1,184,683	7.9
Operating income before depreciation and amortization[1]	**160,825**	151,579	6.1	**589,052**	545,361	8.0
Operating margin[1]	**49.5%**	49.6%	–	**46.1%**	46.0%	–
Operating income	**94,709**	97,941	(3.3)	**312,180**	341,079	(8.5)
Profit for the year from continuing operations	**45,705**	62,745	(27.2)	**169,517**	199,165	(14.9)
Profit (loss) for the year from discontinued operations	**–**	6,219	–	**55,446**	(244,736)	–
Profit (loss) for the year	**45,705**	68,964	(33.7)	**224,963**	(45,571)	–
Cash Flow						
Cash flow from operating activities	**203,343**	211,847	(4.0)	**450,386**	492,085	(8.5)
Cash flow from operations[1]	**126,946**	144,699	(12.3)	**441,686**	417,367	5.8
Acquisitions of property, plant and equipment, intangible and other assets	**124,392**	120,663	3.1	**375,368**	302,541	24.1
Free cash flow[1]	**2,554**	24,036	(89.4)	**66,318**	114,826	(42.2)
Financial Condition						
Property, plant and equipment	**–**	–	–	**1,322,093**	1,254,217	5.4
Total assets	**–**	–	–	**2,908,079**	2,712,679	7.2
Indebtedness[2]	**–**	–	–	**1,069,112**	981,214	9.0
Shareholders' equity	**–**	–	–	**1,188,431**	1,033,252	15.0
PSU[3] growth	**6,959**	19,740	(64.7)	**71,664**	106,310	(32.6)
Per Share Data[4]						
Earnings (loss) per share						
From continuing and discontinued operations						
Basic	**0.94**	1.42	(33.8)	**4.62**	(0.94)	–
Diluted	**0.93**	1.42	(34.5)	**4.60**	(0.94)	–
From continuing operations						
Basic	**0.94**	1.29	(27.1)	**3.48**	4.10	(15.1)
Diluted	**0.93**	1.29	(27.9)	**3.46**	4.10	(15.6)
From discontinued operations						
Basic	**–**	0.13	–	**1.14**	(5.04)	–
Diluted	**–**	0.13	–	**1.13**	(5.04)	–

(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 Results overview.
(2) Indebtedness is defined as the total of principal on long-term debt, balance due on a business acquisition and obligations under derivative financial instruments.
(3) Represents the sum of Television, HSI and Telephony service customers.
(4) Per multiple and subordinate voting share.

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 Cable'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 the Corporation's future operating results and economic performance and its objectives and strategies are forward-looking statements. These statements are based on certain factors and assumptions including expected growth, results of operations, performance and business prospects and opportunities, which Cogeco Cable believes are reasonable as of the current date. While management considers these assumptions to be reasonable based on information currently available to the Corporation, they may prove to be incorrect. The Corporation 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 the Corporation's expectations. It is impossible for Cogeco Cable to predict with certainty the impact that the 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 the Corporation's 2012 annual Management's Discussion and Analysis ("MD&A")) that could cause actual results to differ materially from what Cogeco Cable currently expects. These factors include technological changes, changes in market and competition, governmental or regulatory developments, general economic conditions, the development of new products and services, the enhancement of existing products and services, and the introduction of competing products having technological or other advantages, many of which are beyond the Corporation's control. Therefore, future events and results may vary significantly from what management currently foresee. 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, the Corporation is under no obligation (and expressly disclaims any such obligation), and does not undertake to update or alter this information before the next quarter.

As described in note 1 to the consolidated financial statements of the 2012 Annual Report, Canadian Generally Accepted Accounting Principles ("GAAP"), which were previously used in preparing the consolidated financial statements, were replaced on the adoption of International Financial Reporting Standards ("IFRS") on January 1, 2011. The Corporation's consolidated financial statements for the year ended August 31, 2012 have therefore been prepared in accordance with IFRS. Comparative figures for 2011 have also been restated.

All amounts are stated in Canadian dollars unless otherwise indicated. This press release should be read in conjunction with the MD&A included in the Corporation's 2012 Annual Report, the Corporation's consolidated financial statements and the notes thereto as well as the information on the adjustments to the fiscal 2011 financial figures upon adoption of IFRS, explained in Note 26 of the consolidated financial statements for year ended August 31, 2012.

RESULTS OVERVIEW

This analysis should be read in conjunction with the Corporation's 2012 Annual Report available on SEDAR at www.sedar.com. Please refer to the Corporation's 2012 Annual Report for more details on annual results.

OPERATING RESULTS

QUARTER ENDED AUGUST 31, 2012

	Cable services			Enterprise services			Inter-segment eliminations and other[1]		Consolidated		
Quarters ended August 31, *(in thousands of dollars, except percentages)*	**2012**	2011	Change	**2012**	2011	Change	**2012**	2011	**2012**	2011	Change
	$	$	%	**$**	$	%	**$**	$	**$**	$	%
Revenue	**301,992**	286,457	5.4	**23,133**	19,354	19.5	**(357)**	–	**324,768**	305,811	6.2
Operating expenses	**148,725**	139,948	6.3	**11,876**	11,509	3.2	**3,342**	2,775	**163,943**	154,232	6.3
Operating income before depreciation and amortization	**153,267**	146,509	4.6	**11,257**	7,845	43.5	**(3,699)**	(2,775)	**160,825**	151,579	6.1
Operating margin	**50.8%**	51.1%		**48.7%**	40.5%		**–**	–	**49.5%**	49.6%	

(1) The inter-segment eliminations and other eliminate any intercompany transactions included in each segment's results and include head office activities.

Fiscal 2012 fourth-quarter consolidated revenue improved by $19 million, or 6.2%, to reach $324.8 million, when compared to the prior year. For the fourth-quarter ended August 31, 2012, consolidated operating expenses increased by $9.7 million, or 6.3%, at $163.9 million. As a result, consolidated operating income before depreciation and amortization increased by $9.2 million, or 6.1%, to reach $160.8 million and consolidated operating margin slightly decreased to 49.5% compared to 49.6% in the fourth quarter of fiscal 2011.

CABLE SERVICES

Customer statistics

	Net additions (losses) Quarters ended August 31,	
	2012	2011
PSU	**6,959**	19,740
Television service customers[1]	**(5,758)**	(1,369)
HSI service customers	**5,682**	7,746
Telephony service customers	**7,035**	13,363

(1) The net losses of Television service customers includes net additions of 5,918 Digital Television service customers.

Fiscal 2012 fourth-quarter PSU net additions were lower than in the comparable period of the prior year mainly as a result of category maturity, competitive offers and tightening of our credit controls and processes. Fourth quarter net customer losses for Television service customers stood at 5,758 when compared to 1,369 for the same period of the prior year due to the end of the school year for college and university students as well as the intense competition driving the telecommunications industry. Telephony service customers grew by 7,035 compared to 13,363 for the same period last year, and the number of net additions to the HSI service stood at 5,682 compared to 7,746 customers for the same period of the prior year. HSI and Telephony net additions continue to stem from the enhancement of the product offering, the impact of the bundled offer (Cogeco Complete Connection) of Television, HSI and Telephony services, and promotional activities. Additions to the Digital Television service which are included in the Television service customers, stood at 5,918 compared to 29,464 for the comparable period of the prior year. Digital Television service net additions are due to the deployment of Digital Terminal Adapters technology to migrate customers from analogue to digital services, the targeted marketing initiatives to improve penetration, the launch of new HD channels and the continuing interest for HD television service.

Operating results

Driven by PSU growth combined with rate increases in June and July 2012, fourth-quarter revenue went up by $15.5 million, or 5.4%, to reach $302 million.

Fiscal 2012 fourth-quarter operating expenses increased by $8.8 million, or 6.3%, at $148.7 million mainly attributable to the PSU growth, the launch of new HD channels, additional programming costs and deployment and support costs related to the migration of Television service customers from analogue to digital.

The operating income before depreciation and amortization increased by $6.8 million, or 4.6%, and the operating margin decreased to 50.8% from 51.1%.

ENTERPRISE SERVICES

Operating results

Fiscal 2012 fourth-quarter revenue increased by $3.8 million, or 19.5%, at $23.1 million mainly as a result of the acquisitions of QTI and MTO during the fourth quarter of fiscal 2011 combined with an increase of 8.8% related to organic growth, partly offset by non-recurring revenue in fiscal 2011 related to a one-time project development.

Fiscal 2012 fourth-quarter operating expenses increased by $0.4 million, or 3.2%, at $11.9 million mainly attributable to the acquisition of QTI and MTO and to servicing new customers, partly offset by additional expenses in fiscal 2011 related to a one-time project development.

The operating income before depreciation and amortization increased by 43.5% of which 27.7% comes from organic growth. The operating margin increased to 48.7% from 40.5%, mainly attributable to additional expenses in fiscal 2011 related to a one time project development as well as the acquisitions of QTI and MTO.

CASH FLOW ANALYSIS

Quarters ended August 31, *(in thousands of dollars)*	**2012** **$**	2011 $
Operating activities		
Cash flow from operations	**126,946**	144,699
Changes in non-cash operating activities	**75,065**	70,760
Amortization of deferred transaction costs and discounts on long-term debt	**(747)**	(659)
Income taxes paid	**(15,090)**	(91)
Current income tax expense (recovery)	**15,476**	(7,509)
Financial expense paid	**(14,324)**	(9,836)
Financial expense	**16,017**	14,483
	203,343	211,847
Investing activities	**(124,480)**	(251,695)
Financing activities	**(12,803)**	755
Net change in cash and cash equivalents from continuing operations	**66,060**	(39,093)
Net change in cash and cash equivalents from discontinued operations [(1)]	**–**	(1,551)
Cash and cash equivalents from continuing and discontinued operations, beginning of period	**149,331**	96,091
Cash and cash equivalents from continuing and discontinued operations, end of period	**215,391**	55,447

(1) For further details on the Corporation's cash flows attributable to discontinued operations, please refer to the "Disposal of subsidiary and discontinued operations" section.

During the fourth quarter of 2012, cash flow from operations reached $126.9 million, 12.3% lower than the comparable period last year, primarily due to the increase in current income tax expense, partly offset by the increase in operating income before depreciation and amortization. Changes in non-cash operating items generated cash inflows of $75.1 million compared to $70.8 million for the same period in fiscal 2011, mainly as a result of a higher increase in trade and other payables, partly offset by a decrease in provision compared to an increase in prior year and an increase in trade and other receivables compared to a decrease in prior year.

Fiscal 2012 fourth-quarter investing activities amounted to $124.5 million, a decrease of 50.5% when compared to $251.7 million in the fourth quarter of the prior year. The decrease is primarily due to the acquisitions of QTI and MTO for a total of $131.2 million, included in fiscal 2011 fourth-quarter. Except for the business combinations, investing activities are mainly composed of acquisitions of property, plant and equipment, intangible and other assets. Acquisition of intangible and other assets are mainly attributable to reconnect and additional service activation costs as well as other customer acquisition costs. For fiscal 2012 fourth-quarter, the acquisition of property, plant and equipment amounted to $119.2 million and acquisitions of intangible and other assets amounted to $5.2 million compared to $118.3 million and $2.3 million, respectively, for the same period of prior year.

In the fourth quarter of 2012, the Corporation generated free cash flows of $2.6 million compared to $24 million in the prior year. The decrease in free cash flow over the prior year is due to the difference in the recognition of current income tax expense compared to income tax recovery in prior year, partly offset by the increase of operating income before depreciation and amortization.

In the fourth quarter of 2012, Indebtedness affecting cash remained essentially the same. In the fourth quarter of 2011, Indebtedness affecting cash decreased by $10.6 million mainly through net repayments on the Corporation's Term Revolving Facility of $11.2 million.

During the fourth quarter of fiscal 2012, a dividend of $0.25 per share was paid to the holders of subordinate and multiple voting shares, totalling $12.2 million, 25% higher than the dividend of $0.20 per share, or $9.7 million the year before.

YEAR ENDED AUGUST 31, 2012

Years ended August 31, *(in thousands of dollars, except percentages)*	Cable services			Enterprise services			Inter-segment eliminations and other[1]		Consolidated	
	2012	2011	Change	**2012**	2011	Change	**2012**	2011	**2012**	2011
	$	$	%	**$**	$	%	**$**	$	**$**	$
Revenue	**1,188,717**	1,123,652	5.8	**89,831**	61,031	47.2	**(850)**	–	**1,277,698**	1,184,683
Operating expenses	**614,644**	581,489	5.7	**51,649**	35,754	44.5	**12,868**	12,907	**679,161**	630,150
Management fees – COGECO Inc.	**–**	–	–	**–**	–	–	**9,485**	9,172	**9,485**	9,172
Operating income before depreciation and amortization	**574,073**	542,163	5.9	**38,182**	25,277	51.1	**(23,203)**	(22,079)	**589,052**	545,361
Operating margin	**48.3%**	48.3%		**42.5%**	41.4%		**–**	–	**46.1%**	46.0%

(1) The inter-segment eliminations and other eliminate any intercompany transactions included in each segment's results and include head office activities.

CABLE SERVICES

Customer statistics

	August 31, 2012	Net additions (losses) Years ended August 31, **2012**	2011	% of penetration[1] August 31, **2012**	2011
PSU	**1,969,133**	**71,664**	106,310		
Television service customers[2]	**863,115**	**(14,870)**	3,480	**52.4**	54.1
HSI service customers	**634,534**	**33,320**	42,157	**38.5**	37.1
Telephony service customers	**471,484**	**53,214**	60,673	**28.6**	25.8

(1) As a percentage of homes passed.
(2) The number of Television service customers includes 771,503 Digital Television service customers.

During fiscal 2012, PSU net additions were lower than in the comparable period of the prior year mainly as a result of category maturity, competitive offers and tightening of our credit controls and processes. For the year ended August 31, 2012, net customer losses for Television service customers stood at 14,870 compared to 3,480 net additions for the prior year. Television service customer net losses are mainly due to the competitive promotional offers for the video service combined with the tightening of our credit controls. For the year ended August 31, 2012, Telephony service customers grew by 53,214 compared to 60,673 last year, and the number of net additions to the HSI service stood at 33,320 customers compared to 42,157 customers for the prior year. HSI and Telephony net additions continue to stem from the enhancement of the product offering, the impact of the bundled offer (Cogeco Complete Connection) of Television, HSI and Telephony services, and promotional activities. For the year ended August 31, 2012, additions to the Digital Television service which are included in the Television service customers, stood at 93,177 compared to 118,908 for the comparable period of the prior year. Digital Television service net additions are due to the deployment of Digital Terminal Adapters technology to migrate customers from analogue to digital services, the targeted marketing initiatives to improve penetration, the launch of new HD channels and the continuing interest for HD television service.

Operating results

Revenue

For the 2012 fiscal year, revenue increased by $65.1 million, or 5.8%, to reach $1.189 billion, when compared to the same period last year, primarily due to the PSU growth and rate increases implemented in April and October 2011 and in June and July 2012.

Operating expenses

For the year ended August 31, 2012, operating expenses increased by $33.2 million, or 5.7%, at $614.6 million The increase in operating expenses is mainly attributable to servicing additional PSU, the launch of new HD channels, additional programming costs and the deployment and support costs related to the migration of Television service customers from analogue to digital.

Operating income before depreciation and amortization and operating margin

As a result of revenue growth slightly exceeding the increase in operating expenses, fiscal 2012 operating income before depreciation and amortization amounted to $574.1 million, or 5.9%, higher than in the prior year, and operating margin was the same at 48.3%.

ENTERPRISE SERVICES

Operating results

Revenue

For the 2012 fiscal year, revenue increased by $28.8 million, or 47.2%, to reach $89.8 million, when compared to the same period last year, primarily due to the acquisitions of QTI and MTO during the fourth quarter fiscal 2011 combined with an increase of 7.9% related to organic growth.

Operating expenses

For the year ended August 31, 2012, operating expenses increased by $15.9 million, or 44.5%, to $51.6 million. The increase in operating expenses is mainly attributable to the acquisitions of QTI and MTO and to servicing new customers .

Operating income before depreciation and amortization and operating margin

As a result of revenue growth exceeding the increase in operating expenses, fiscal 2012 operating income before depreciation and amortization amounted to $38.2 million, or 51.1%, higher than in the prior year of which 12.6% comes from organic growth. Operating margin increased to 42.5% from 41.4% when compared to fiscal 2011.

DISPOSAL OF SUBSIDIARY AND DISCONTINUED OPERATIONS

On February 29, 2012, the Corporation completed the sale of its Portuguese subsidiary, Cabovisão for a cash consideration of €45 million ($59.3 million). The selling price has been reduced by selling fees of approximately €8.5 million ($11.2 million) and contingent claims assumed up to a maximum amount of €5 million ($6.6 million). The carrying value of the net liabilities disposed of on February 29, 2012 was $6.7 million resulting in a gain of $48.2 million recorded in the consolidated statements of profit or loss.

The carrying value of assets and liabilities disposed were as follows:

(In thousands of dollars)	**$**
Cash and cash equivalents	**13,041**
Trade and other receivables	**7,693**
Income taxes receivable	**277**
Prepaid expenses and other	**2,777**
Property, plant and equipment	**38,931**
Trade and other payables	**(42,514)**
Provisions	**(6,665)**
Deferred and prepaid revenue	**(411)**
Foreign currency translation adjustment	**(19,817)**
	(6,688)

As a result of the sale and in accordance with *IFRS 5 – Non-Current Assets Held for Sale and Discontinued Operations*, the Corporation reclassified the current and prior year results and cash flows of the European operations, up to the date of disposal, as discontinued operations. The assets and liabilities of the discontinued operations have not been reclassified in the statements of financial position at August 31, 2011 and September 1, 2010.

The profit or loss of the discontinued operations were as follows:

	Quarters ended August 31,		Years ended August, 31	
	2012	2011	**2012**	2011
(In thousands of dollars)	**$**	$	**$**	$
Revenue	**–**	43,306	**80,546**	172,277
Operating expenses	**–**	36,718	**70,247**	151,262
Depreciation and amortization	**–**	347	**2,814**	40,415
Operating income (loss)	**–**	6,241	**7,485**	(19,400)
Financial expense (income)	**–**	11	**(155)**	(74)
Impairment of goodwill	**–**	**–**	**–**	29,344
Impairment of property, plant and equipment	**–**	**–**	**–**	196,529
Gain on disposal	**–**	**–**	**48,215**	–
Profit (loss) before income taxes	**–**	6,230	**55,855**	(245,199)
Income taxes	**–**	11	**409**	(463)
Profit (loss) for the period	**–**	6,219	**55,446**	(244,736)

The cash flows of the discontinued operations were as follows:

	Quarters ended August 31,		Years ended August, 31	
	2012	2011	**2012**	2011
(In thousands of dollars)	**$**	$	**$**	$
Net cash flows from operating activities	**–**	6,818	**13,637**	22,667
Net cash flows from investing activities	**–**	(8,519)	**36,826**	(34,592)
Effect of exchange rate changes on cash and cash equivalents denominated in a foreign currency	**–**	150	**(866)**	588
Net increase (decrease) in cash and cash equivalents	**–**	(1,551)	**49,597**	(11,337)

NON-IFRS FINANCIAL MEASURES

This section describes non-IFRS financial measures used by Cogeco Cable throughout this press release. It also provides reconciliations between these non-IFRS measures and the most comparable IFRS financial measures. These financial measures do not have standard definitions prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies. These measures include “cash flow from operations”, “free cash flow”, “operating income before depreciation and amortization” and “operating margin”.

Cash flow from operations and free cash flow

Cash flow from operations is used by Cogeco Cable’s management and investors to evaluate cash flows generated by operating activities, excluding the impact of changes in non-cash operating activities, amortization of deferred transaction costs and discounts on long-term debt, income taxes paid or received, current income tax expense or recovery, financial expense paid and financial expense. This allows the Corporation to isolate the cash flows from operating activities from the impact of cash management decisions. Cash flow from operations is subsequently used in calculating the non-IFRS measure, “free cash flow”. Free cash flow is used, by Cogeco Cable’s management and investors, to measure its ability to repay debt, distribute capital to its shareholders and finance its growth.

The most comparable IFRS measure is cash flow from operating activities. Cash flow from operations is calculated as follows:

	Quarters ended August 31,		Years ended August 31,	
	2012	2011	**2012**	2011
(in thousands of dollars)	**$**	$	**$**	$
Cash flow from operating activities	**203,343**	211,847	**450,386**	492,085
Changes in non-cash operating activities	**(75,065)**	(70,760)	**(3,493)**	(10,409)
Amortization of deferred transaction costs and discounts on long-term debt	**747**	659	**2,817**	2,913
Income taxes paid (received)	**15,090**	91	**79,728**	(3,067)
Current income tax recovery (expense)	**(15,476)**	7,509	**(85,216)**	(62,495)
Financial expense paid	**14,324**	9,836	**61,471**	69,502
Financial expense	**(16,017)**	(14,483)	**(64,007)**	(71,162)
Cash flow from operations	**126,946**	144,699	**441,686**	417,367

Free cash flow is calculated as follows:

	Quarters ended August 31,		Years ended August 31,	
	2012	2011	**2012**	2011
(in thousands of dollars)	**$**	$	**$**	$
Cash flow from operations	**126,946**	144,699	**441,686**	417,367
Acquisition of property, plant and equipment	**(119,175)**	(118,326)	**(359,581)**	(291,669)
Acquisition of intangible and other assets	**(5,217)**	(2,337)	**(15,787)**	(10,872)
Free cash flow	**2,554**	24,036	**66,318**	114,826

Operating income before depreciation and amortization and operating margin

Operating income before depreciation and amortization is used by Cogeco Cable’s management and investors to assess the Corporation’s ability to seize growth opportunities in a cost effective manner, to finance its ongoing operations and to service its debt. Operating income before depreciation and amortization is a proxy for cash flows from operations excluding the impact of the capital structure chosen, and is one of the key metrics used by the financial community to value the business and its financial strength. Operating margin is a measure of the proportion of the Corporation's revenue which is available, before income taxes, to pay for its fixed costs, such as interest on Indebtedness. Operating margin is calculated by dividing operating income before depreciation and amortization by revenue.

The most comparable IFRS financial measure is operating income. Operating income before depreciation and amortization and operating margin are calculated as follows:

	Quarters ended August 31,		Years ended August 31,	
	2012	2011	**2012**	2011
(in thousands of dollars, except percentages)	**$**	$	**$**	$
Operating income	**94,709**	97,941	**312,180**	341,079
Depreciation and amortization	**64,247**	51,314	**275,003**	201,958
Integration, restructuring and acquisitions costs	**1,869**	2,324	**1,869**	2,324
Operating income before depreciation and amortization	**160,825**	151,579	**589,052**	545,361
Revenue	**324,768**	305,811	**1,277,698**	1,184,683
Operating margin	**49.5%**	49.6%	**46.1%**	46.0%

SUPPLEMENTARY QUARTELY FINANCIAL INFORMATION

			Fiscal 2012					Fiscal 2011
Quarters ended[1]	**Nov. 30**	**Feb. 29**	**May 31**	**Aug. 31**	Nov. 30	Feb. 28	May 31	Aug. 31
(in thousands of dollars, except percentages and per share data)	**$**	**$**	**$**	**$**	$	$	$	$
Revenue	**315,424**	**317,735**	**319,771**	**324,768**	287,204	293,457	298,211	305,811
Operating income before depreciation and amortization	**131,823**	**143,743**	**152,661**	**160,825**	125,236	130,399	138,147	151,579
Operating margin	**41.8%**	**45.2%**	**47.7%**	**49.5%**	43.6%	44.4%	46.3%	49.6%
Operating income	**66,999**	**59,491**	**90,981**	**94,709**	75,717	80,426	86,995	97,941
Income taxes	**10,603**	**13,617**	**21,449**	**32,987**	16,285	15,007	18,747	20,713
Profit for the period from continuing operations	**39,567**	**31,086**	**53,159**	**45,705**	42,749	41,319	52,352	62,745
Profit (loss) for the period from discontinued operations	**3,399**	**52,047**	**–**	**–**	(8,159)	(9,223)	(233,573)	6,219
Profit (loss) for the period	**42,966**	**83,133**	**53,159**	**45,705**	34,590	32,096	(181,221)	68,964
Cash flow from operating activities	**13,807**	**120,961**	**112,275**	**203,343**	49,809	88,420	142,009	211,847
Cash flow from operations	**97,043**	**104,622**	**113,075**	**126,946**	32,063	114,682	125,923	144,699
Acquisitions of property, plant and equipment, intangible and other assets	**77,283**	**86,234**	**87,459**	**124,392**	58,017	61,079	62,782	120,663
Free cash flow	**19,760**	**18,388**	**25,616**	**2,554**	(25,954)	53,603	63,141	24,036
Earnings (loss) per share[2]								
From continuing and discontinued operations								
Basic	**0.88**	**1.71**	**1.09**	**0.94**	0.71	0.66	(3.73)	1.42
Diluted	**0.88**	**1.70**	**1.09**	**0.93**	0.71	0.66	(3.73)	1.42
From continuing operations								
Basic	**0.81**	**0.64**	**1.09**	**0.94**	0.88	0.85	1.08	1.29
Diluted	**0.81**	**0.63**	**1.09**	**0.93**	0.88	0.85	1.08	1.29
From discontinued operations								
Basic	**0.07**	**1.07**	**–**	**–**	(0.17)	(0.19)	(4.80)	0.13
Diluted	**0.07**	**1.06**	**–**	**–**	(0.17)	(0.19)	(4.80)	0.13

(1) The addition of quarterly information may not correspond to the annual total due to rounding.
(2) Per multiple and subordinate voting share.

SEASONAL VARIATIONS

Cogeco Cable's operating results are not generally subject to material seasonal fluctuations except as follows. The customer growth in the Television service customers and HSI service are generally lower in the second half of the fiscal year as a result of a decrease in economic activity due to the beginning of the vacation period, the end of the television seasons, and students leaving their campuses at the end of the school year. Cogeco Cable offers its services in several university and college towns such as Kingston, Windsor, St.Catharines, Hamilton, Peterborough, Trois-Rivières and Rimouski in Canada. Furthermore, the third and fourth quarter's operating margin is usually higher as no management fees are paid to COGECO Inc. Under the Management Agreement, Cogeco Cable pays a fee equal to 2% of its total revenue subject to a maximum amount. As the maximum amount has been reached in the second quarters of fiscal 2012 and fiscal 2011, Cogeco Cable did not pay management fees in the second halves of either year.

ADDITIONAL INFORMATION

Additional information relating to the Corporation, including its 2012 Annual Report and Annual Information Form, is available on SEDAR at www.sedar.com.

ABOUT COGECO CABLE

Cogeco Cable (www.cogeco.ca) is a telecommunications corporation and is the second largest hybrid fibre coaxial cable operator in Ontario, and Québec. Through its two-way broadband cable networks, Cogeco Cable provides its residential customers with Analogue and Digital Television, HSI and Telephony services. Cogeco Cable also provides to its commercial customers, through its subsidiary Cogeco Data Services, data networking, e-business applications, video conferencing, hosting services, Ethernet, private line, VoIP, HSI access, data storage, data security, co-location services, managed IT services, cloud services and other advanced communication solutions. Cogeco Cable's subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CCA).

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Analyst Conference Call: **Friday, November 2, 2012 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 dialling five minutes before the start of the conference:

Canada/USA Access Number: **1-800-820-0231**
International Access Number: **1-416-640-5926**
Confirmation Code: **7187134**
By Internet at www.cogeco.ca/investors

A rebroadcast of the conference call will be available until November 10, by dialling:
Canada and US access number: **1 888-203-1112**
International access number: **+ 1 647-436-0148**
Confirmation code: **7187134**

CUSTOMER STATISTICS

	2012	2011	2010
Primary service units[1]	**1,969,133**	1,897,469	1,791,159
Television service customers	**863,115**	877,985	874,505
Penetration as a percentage of homes passed	**52.4%**	54.1%	54.9%
Digital Television service customers	**771,503**	678,326	559,418
Penetration as a percentage of homes passed	**46.8%**	41.8%	35.1%
Analogue Television service customers	**91,612**	199,659	315,087
Penetration as a percentage of homes passed	**5.6%**	12.3%	19.8%
High Speed Internet service customers	**634,534**	601,214	559,057
Penetration as a percentage of homes passed	**38.5%**	37.1%	35.1%
Telephony service customers	**471,484**	418,270	357,597
Penetration as a percentage of homes passed	**28.6%**	25.8%	22.4%

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