News Release

FOR IMMEDIATE RELEASE

COGECO RELEASES ITS RESULTS FOR THE FOURTH QUARTER OF FISCAL 2019

- **Revenue increased by 3.1% (2.7% in constant currency) compared to the same period of the prior year to reach $610.5 million;**
- **Adjusted EBITDA[(1)] reached $281.0 million, an increase of 4.5% (4.1% in constant currency);**
- **Free cash flow[(1)] increased by 70.6% (71.0% in constant currency) to reach $87.6 million; and**
- **A quarterly eligible dividend of $0.475 was declared, compared to $0.43 for the fourth quarter of fiscal 2018.**

Montréal, October 30, 2019 – Today, Cogeco Inc. (TSX: CGO) ("Cogeco" or the "Corporation") announced its financial results for the fourth quarter ended August 31, 2019, in accordance with International Financial Reporting Standards ("IFRS").

Following Cogeco Communications' completion, on April 30, 2019, of the sale of 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 fourth quarter of fiscal 2019:

- Revenue increased by 3.1% (2.7% in constant currency) compared to the same period of the prior year to reach $610.5 million driven by growths of 3.1% (2.7% in constant currency) and 2.9%, respectively, in the Communications and Other segments. Revenue increased in the Communications segment mostly as a result of organic growth and the acquisition of the south Florida fibre network previously owned by FiberLight, LLC (the "FiberLight acquisition") on October 3, 2018 combined with the activation of bulk properties in Florida during the fourth quarter of fiscal 2019 in the American broadband services operations. Revenue increased by 2.9% in the Other segment mainly from the acquisition of radio stations from RNC Média inc. (the "RNC Média acquisition") during the first quarter of fiscal 2019, partly offset by a soft advertising market and increased competition in the media activities;

- Adjusted EBITDA increased by 4.5% (4.1% in constant currency) to reach $281.0 million mostly attributable to higher adjusted EBITDA in the Communications segment resulting from increases in both the American and Canadian broadband services operations;

(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.

- Profit for the period from continuing operations amounted to $95.2 million of which $30.8 million, or $1.91 per share, was attributable to owners of the Corporation compared, respectively, to $78.3 million, $25.5 million, and $1.56 per share, for the same period of fiscal 2018. The increase resulted mainly from higher adjusted EBITDA combined with the decrease in financial expense;

- Profit for the period amounted to $97.1 million of which $31.4 million, or $1.95 per share, was attributable to owners of the Corporation compared, respectively, to $77.3 million, $25.2 million, and $1.54 per share, for the same period of fiscal 2018. The variation is mainly due to a higher profit from continuing operations combined with a profit from discontinued operations;

- Free cash flow, from continuing operations, increased by 70.6% to reach $87.6 million. On a constant currency basis, free cash flow increased by 71.0% as a result of higher adjusted EBITDA combined with the decreases in acquisitions of property, plant and equipment and financial expense;

- Cash flow from operating activities increased by 17.2% to reach $314.9 million mainly due to higher adjusted EBITDA, the decreases in income taxes paid and financial expense paid and the increase in changes in non-cash operating activities primarily due to changes in working capital; and

- At its October 30, 2019 meeting, the Board of Directors of Cogeco declared a quarterly eligible dividend of $0.475 compared to $0.43 per share in the fourth quarter of fiscal 2018.

"As we report our results for the last quarter of fiscal year 2019, we are pleased with Cogeco's overall performance," declared Philippe Jetté, President and Chief Executive Officer of Cogeco Inc.

"In our Cogeco Communications subsidiary, our Canadian broadband services operations' adjusted EBITDA increased in the fourth quarter compared to last year thanks to our cost optimization efforts," stated Mr. Jetté. "I am also pleased to report that Cogeco Connexion experienced a stabilization of its primary service units, made good progress with its digitization activities and is getting ready to launch its IPTV platform."

"We continue to be very satisfied with results at Atlantic Broadband," added Mr. Jetté. "Our American broadband services operations closed the fiscal year with healthy increases in revenue, adjusted EBITDA and primary service units. We are pleased with our expansion in the Florida market and are looking for more acquisitions now that our recent acquisitions are fully integrated."

"At Cogeco Media, results are in line with expectations," concluded Mr. Jetté. "We have completed the integration of our new radio stations, and our key Montréal stations continued to benefit from high ratings during the quarter."

Fiscal 2020 Financial Guidelines

Cogeco maintains its 2020 preliminary financial guidelines as issued on July 10, 2019. Please consult the "Fiscal 2020 financial guidelines" section of the Corporation's 2019 Annual Report for further details.

FINANCIAL HIGHLIGHTS

	Three months ended					Years ended				
	August 31, 2019	August 31, 2018[1]	Change	Change in constant currency[2]	Foreign exchange impact[2]	**August 31, 2019**	August 31, 2018[1]	Change	Change in constant currency[2]	Foreign exchange impact[2]
(in thousands of dollars, except percentages and per share data)	**$**	$	%	%	$	**$**	$	%	%	$
Operations										
Revenue	**610,510**	592,277	3.1	2.7	2,427	**2,444,062**	2,262,030	8.0	6.4	37,433
Adjusted EBITDA[3]	**280,981**	268,942	4.5	4.1	986	**1,131,980**	1,035,110	9.4	7.8	15,797
Integration, restructuring and acquisition costs[4]	**839**	1,812	(53.7)			**12,851**	20,463	(37.2)		
Profit for the period from continuing operations	**95,193**	78,340	21.5			**368,165**	399,950	(7.9)		
Profit (loss) for the period from discontinued operations	**1,920**	(1,052)	—			**75,380**	(24,381)	—		
Profit for the period	**97,113**	77,288	25.7			**443,545**	375,569	18.1		
Profit for the period attributable to owners of the Corporation	**31,445**	25,165	25.0			**143,163**	126,437	13.2		
Cash flow										
Cash flow from operating activities	**314,905**	268,679	17.2			**890,077**	638,377	39.4		
Acquisitions of property, plant and equipment[5]	**146,599**	164,472	(10.9)	(11.4)	929	**439,055**	460,910	(4.7)	(6.8)	9,342
Free cash flow[3]	**87,611**	51,354	70.6	71.0	(221)	**469,155**	320,147	46.5	46.1	1,330
Financial condition										
Cash and cash equivalents						**559,393**	86,352	—		
Total assets						**7,125,037**	7,335,547	(2.9)		
Indebtedness[6]						**3,514,185**	3,951,791	(11.1)		
Equity attributable to owners of the Corporation						**754,768**	710,908	6.2		
Per Share Data[7]										
Earnings (loss) per share										
Basic										
From continuing operations	**1.91**	1.56	22.4			**7.38**	8.19	(9.9)		
From discontinued operations	**0.04**	(0.02)	—			**1.48**	(0.47)	—		
From continuing and discontinued operations	**1.95**	1.54	26.6			**8.86**	7.72	14.8		
Diluted										
From continuing operations	**1.89**	1.55	21.9			**7.32**	8.13	(10.0)		
From discontinued operations	**0.04**	(0.02)	—			**1.47**	(0.47)	—		
From continuing and discontinued operations	**1.93**	1.52	27.0			**8.79**	7.66	14.8		
Dividends	**0.43**	0.39	10.3			**1.72**	1.56	10.3		

(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 of the Corporation's 2019 Annual Report.

(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-month period and year ended August 31, 2018, the average foreign exchange rates used for translation were 1.3100 USD/CDN and 1.2773 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 of the Corporation's 2019 Annual Report.

(4) For the year ended August 31, 2019, integration, restructuring and acquisition costs were mostly due to restructuring costs in the Canadian broadband services operations incurred in the first half of fiscal 2019 related to an operational optimization program. In addition, acquisition and integration costs were incurred by the American broadband services operations related to the FiberLight acquisition and by the Corporation subsidiary, Cogeco Media, for the acquisition of 10 regional radio stations on November 26, 2018. For the year ended August 31, 2018, integration, restructuring and acquisition costs were related to the MetroCast acquisition completed on January 4, 2018.

(5) For the three-month period and year ended August 31, 2019, acquisitions of property, plant and equipment in constant currency amounted to $145.7 million and $429.7 million, respectively.

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

(7) Per multiple and subordinate voting shares.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this press release may constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to Cogeco Inc.'s ("Cogeco" or the "Corporation") 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. Particularly, statements regarding the Corporation's financial guidelines, future operating results and economic performance, 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 believes are reasonable as of the current date. Refer in particular to the "Corporate Objectives and Strategies" and "Fiscal 2020 Financial Guidelines" sections of the Corporation's 2019 annual Management's Discussion and Analysis ("MD&A") for a discussion of certain key economic, market and operational assumptions we have made in preparing forward-looking statements. While Management considers these assumptions to be reasonable based on information currently available to the Corporation, they may prove to be incorrect. Forward-looking information is also subject to certain factors, including risks and uncertainties that could cause actual results to differ materially from what Cogeco currently expects. These factors include risks such as competitive risks, business risks, regulatory risks, technology risks, financial risks, economic conditions, human-caused and natural threats to our network, infrastructure and systems, community acceptance risks, ethical behavior risks, ownership risks and litigation risks, many of which are beyond the Corporation's control. For more exhaustive information on these risks and uncertainties, the reader should refer to the "Uncertainties and Main Risk Factors" section of the Corporation's 2019 annual MD&A. These factors are not intended to represent a complete list of the factors that could affect Cogeco and future events and results may vary significantly from what Management currently foresees. The reader should not place undue importance on forward-looking information contained in this press release which represent Cogeco's 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.

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 2019 Annual Report, the Corporation's consolidated financial statements and the notes thereto prepared in accordance with the International Financial Reporting Standards ("IFRS") for the year ended August 31, 2019.

RESULTS OVERVIEW

This analysis should be read in conjunction with the Corporation's 2019 Annual Report available on the SEDAR website at www.sedar.com or on the Corporation's website at corpo.cogeco.com. Please refer to the Corporation's 2019 Annual Report for more details on the annual results.

FOURTH-QUARTER OPERATING AND FINANCIAL RESULTS

CONSOLIDATED

OPERATING AND FINANCIAL RESULTS

Three months ended August 31,	2019 (1)	2018 (2)	Change	Change in constant currency (3)	Foreign exchange impact (3)
(in thousands of dollars, except percentages)	$	$	%	%	$
Revenue	610,510	592,277	3.1	2.7	2,427
Operating expenses	329,529	323,335	1.9	1.5	1,441
Adjusted EBITDA	280,981	268,942	4.5	4.1	986

(1) For the three-month period ended August 31, 2019, the average foreign exchange rate used for translation was 1.3222 USD/CDN.

(2) 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.

(3) Fiscal 2019 actuals are translated at the average foreign exchange rate of the comparable period of fiscal 2018 which was 1.3100 USD/CDN.

REVENUE

Fiscal 2019 fourth-quarter revenue increased by 3.1% (2.7% in constant currency) compared to the same period of the prior year mainly due to:

- an increase of 3.1% (2.7% in constant currency) in the Communications segment resulting from a growth in the American broadband services operations mostly due to strong organic growth and the FiberLight acquisition combined with stable revenue in the Canadian broadband services operations; and
- an increase of 2.9% in the Other segment resulting mainly from the RNC Média acquisition during the first quarter of fiscal 2019, partly offset by a soft advertising market and increased competition in the media activities.

OPERATING EXPENSES

Fiscal 2019 fourth-quarter operating expenses increased by 1.9% (1.5% in constant currency) compared to the same period of the prior year mostly attributable to the Communications segment.

ADJUSTED EBITDA

Fiscal 2019 fourth-quarter adjusted EBITDA increased by 4.5% (4.1% in constant currency) mostly attributable to higher adjusted EBITDA in the Communications segment as a result of increases in both the American and Canadian broadband services operations.

INTEGRATION, RESTRUCTURING AND ACQUISTION COSTS

Fiscal 2019 fourth-quarter integration, restructuring and acquisition costs amounted to $0.8 million mostly due to mostly due to acquisition and integration costs in the American broadband services operations.

Fiscal 2018 fourth-quarter integration, restructuring and acquisition costs amounted to $1.8 million due to the MetroCast acquisition completed on January 4, 2018.

DEPRECIATION AND AMORTIZATION

Three months ended August 31,	2019	2018 (1)	Change
(in thousands of dollars, except percentages)	$	$	%
Depreciation of property, plant and equipment	107,459	107,926	(0.4)
Amortization of intangible assets	14,858	13,172	12.8
	122,317	121,098	1.0

(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.

Fiscal 2019 fourth-quarter depreciation and amortization increased by 1.0% mostly as a result of the impact of the appreciation of the US dollar against the Canadian dollar compared to the same period of the prior year.

FINANCIAL EXPENSE

Three months ended August 31,	2019	2018 (1)	Change
(in thousands of dollars, except percentages)	**$**	$	%
Interest on long-term debt	**42,114**	46,747	(9.9)
Net foreign exchange losses (gains)	**(446)**	480	—
Amortization of deferred transaction costs	**485**	456	6.4
Capitalized borrowing costs	**(168)**	(162)	3.7
Other	**(693)**	855	—
	41,292	48,376	(14.6)

(1) Fiscal 2018 was restated to reclassify results from Cogeco Peer 1 as discontinued operations. For further details, please consult the "Discontinued operations" section.

Fiscal 2019 fourth-quarter financial expense decreased by 14.6% mainly due to:

- the reimbursements of $65 million and US$35 million under the Canadian Revolving Facility during the second quarter of fiscal 2019 and of US$328 million during the third quarter of fiscal 2019 following the sale of Cogeco Peer 1; and
- lower debt outstanding and interest rates on the First Lien Credit Facilities; partly offset by
- the appreciation of the US dollar against the Canadian dollar compared to same period of the prior year.

INCOME TAXES

Three months ended August 31,	2019	2018 (1)	Change
(in thousands of dollars, except percentages)	**$**	$	%
Current	**12,269**	10,070	21.8
Deferred	**9,071**	9,246	(1.9)
	21,340	19,316	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.

Three months ended August 31,	2019	2018 (1)	Change
(in thousands of dollars, except percentages)	**$**	$	%
Profit before income taxes	**116,533**	97,656	19.3
Combined Canadian income tax rate	**26.50%**	26.50%	—
Income taxes at combined Canadian income tax rate	**30,881**	25,879	19.3
Difference in operations' statutory income tax rates	**1,512**	(169)	—
Impact on deferred taxes as a result of changes in substantively enacted tax rates	**25**	(37)	—
Impact on income taxes arising from non-deductible expenses and non-taxable profit	**438**	147	—
Tax impacts related to foreign operations	**(7,517)**	(6,825)	10.1
Other	**(3,999)**	321	—
	21,340	19,316	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.

Fiscal 2019 fourth-quarter income taxes expense increased by 10.5% compared to the same period of the prior year mainly attributable to:

- the increase in profit before income taxes; and
- the appreciation of the US dollar against the Canadian dollar compared to the same period of the prior year.

PROFIT FOR THE PERIOD

Three months ended August 31,	2019	2018 (1)	Change
(in thousands of dollars, except percentages and earnings per share)	$	$	%
Profit for the period from continuing operations	**95,193**	78,340	21.5
Profit for the period	**97,113**	77,288	25.7
Profit for the period from continuing operations attributable to owners of the Corporation	**30,798**	25,498	20.8
Profit for the period attributable to owners of the Corporation	**31,445**	25,165	25.0
Profit for the period attributable to non-controlling interest(2)	**65,668**	52,123	26.0
Basic earnings per share from continuing operations	**1.91**	1.56	22.4
Basic earnings earnings per share	**1.95**	1.54	26.6

(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.

(2) The non-controlling interest represents a participation of approximately 68.2% in Cogeco Communications' profit for the period attributable to owners of the Corporation in addition to a participation of 21% in Cogeco Communications' Atlantic Broadband subsidiary results by CDPQ, effective since the MetroCast acquisition on January 4, 2018.

Fiscal 2019 fourth-quarter profit for the period from continuing operations and profit for the period from continuing operations attributable to owners of the Corporation increased by 21.5% and 20.8%, respectively, as a result of:

- higher adjusted EBITDA; and
- the decrease in financial expense.

Fiscal 2019 fourth-quarter profit for the period and profit for the period attributable to owners of the Corporation increased by 25.7% and 25.0%, respectively, mainly due to a profit for the period from discontinued operations of $1.9 million due to working capital adjustments during the fourth quarter related to the sale of Cogeco Peer 1 compared to a loss for the period from discontinued operations of $1.1 million for the comparable period of the prior year in addition to the elements mentioned above.

COMMUNICATIONS SEGMENT

OPERATING AND FINANCIAL RESULTS

Three months ended August 31,	2019 (1)	2018 (2)	Change	Change in constant currency (3)	Foreign exchange impact (3)
(in thousands of dollars, except percentages)	$	$	%	%	$
Revenue	**583,673**	566,184	3.1	2.7	2,427
Operating expenses	**302,833**	297,977	1.6	1.1	1,441
Management fees – Cogeco Inc.	**5,230**	4,796	9.0	9.0	—
Adjusted EBITDA	**275,610**	263,411	4.6	4.3	986
Adjusted EBITDA margin	**47.2%**	46.5%			

(1) For the three-month period ended August 31, 2019, the average foreign exchange rate used for translation was 1.3222 USD/CDN.

(2) 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.

(3) Fiscal 2019 actuals are translated at the average foreign exchange rate of the comparable period of fiscal 2018 which was 1.3100 USD/CDN.

Revenue

Fiscal 2019 fourth-quarter revenue increased by 3.1% (2.7% in constant currency) mainly due to:

- growth of 7.0% (6.0% in constant currency) in the American broadband services operations as a result of:
  - rate increases;
  - activation of bulk properties in Florida during the fourth quarter of fiscal 2019;
  - continued growth in Internet service customers; and
  - the FiberLight acquisition completed in the first quarter of fiscal 2019; partly offset by
  - a decrease in video service customers.

- stable revenue in the Canadian broadband services operations resulting from:
  - rate increases; partly offset by
  - decreases in video and telephony services customers compared to the same period of the prior year primarily due to issues resulting from the implementation of a new customer management system in the second half of fiscal 2018.

Operating expenses

Fiscal 2019 fourth-quarter operating expenses increased by 1.6% (1.1% in constant currency) mainly due to:

- additional costs of 8.6% (7.6% in constant currency) in the American broadband services operations mainly as a result of:
  - programming rate increases;
  - the FiberLight acquisition completed in the first quarter of fiscal 2019;
  - higher compensation expenses due to higher headcount to support growth; and
  - higher marketing initiatives to drive primary service units growth.
- a decrease of 3.7% (3.8% in constant currency) in the Canadian broadband services operations resulting from:
  - lower programming costs resulting from a lower level of primary service units;
  - lower compensation expenses resulting from an operational optimization program implemented in the first half of fiscal 2019; and
  - costs incurred in fiscal 2018 driven by an increase in headcount to support the stabilization phase of the new customer management system; partly offset by
  - higher marketing initiatives.

Management fees

Fiscal 2019 fourth-quarter management fees paid to the Corporation. reached $5.2 million compared to $4.8 million for the same period of fiscal 2018.

Adjusted EBITDA

Fiscal 2019 fourth-quarter adjusted EBITDA increased by 4.6% (4.3% in constant currency) resulting from:

- an increase of 5.1% (4.1% in constant currency) in the American broadband services operations as a result of organic growth combined with the impact of the FiberLight acquisition; and
- an increase of 3.6% (3.6% in constant currency) in the Canadian broadband services operations resulting mainly from a decline in operating expenses.

Acquisitions of property, plant and equipment

Fiscal 2019 fourth-quarter acquisitions of property, plant and equipment decreased by 10.6% (11.2% in constant currency) mainly due to:

- a decrease of 9.5% (10.5% in constant currency) in the American broadband services operations as a result of:
  - lower purchases of customer premise equipment due to the timing of certain initiatives; and
  - lower capital expenditures due to the timing of certain initiatives; partly offset by
  - additional capital expenditures related to the expansion in Florida.
- a decrease by 11.5% (11.7% in constant currency) in the Canadian broadband services operations due to:
  - lower purchases of customer premise equipment due to the timing of certain initiatives; and
  - lower costs related to the new customer management system which was implemented in the third quarter of fiscal 2018; partly offset by
  - additional investments to improve and expand the network infrastructure; and
  - costs related to the new IPTV platform.

CUSTOMER STATISTICS

	August 31, 2019			Net additions (losses) Three months ended August 31,	
	Consolidated	Canada	United States	2019	2018 [1]
Primary service units	2,711,812	1,810,366	901,446	4,585	(33,021)
Internet service customers	1,234,380	788,243	446,137	4,981	1,728
Video service customers	962,138	649,583	312,555	(2,870)	(18,999)
Telephony service customers	515,294	372,540	142,754	2,474	(15,750)

(1) Excludes adjustments related to the migration to the new customer management system implemented in the Canadian broadband services operations during the third quarter of fiscal 2018.

During the third quarter of fiscal 2018, the Canadian broadband services segment implemented a new customer management system, replacing 22 legacy systems. While the customer management system was still in the stabilization phase, contact center congestion resulted in lower services activations during most of the fourth quarter of fiscal 2018. Contact center and marketing operations had returned to normal at the end of the first quarter of 2019.

Variations of each services are also explained as follows:

INTERNET

Fiscal 2019 fourth-quarter Internet service customers net additions amounted to 4,981 compared to 1,728 in fiscal 2018 mainly explained by:

- additional connects related to the Florida expansion initiatives and in the MetroCast footprint;
- growth in both the residential and business sectors in the United States;
- the ongoing interest in high speed offerings;
- the sustained interest in bundle offers;
- the increased demand from Internet resellers in Canada; partly offset by
- competitive offers in the industry.

VIDEO

Fiscal 2019 fourth-quarter video net losses stood at 2,870 compared to 18,999 in fiscal 2018 mainly explained by:

- highly competitive offers in the industry; and
- a changing video consumption environment; partly offset by
- the activation of bulk properties in Florida during the fourth quarter of fiscal 2019;
- customers' interest in video services bundled with fast Internet offerings; and
- our customers' ongoing interest in TiVo's digital advanced video services.

TELEPHONY

Fiscal 2019 fourth-quarter telephony net additions stood at 2,474 compared to net losses of 15,750 in fiscal 2018 mainly explained by:

- more telephony bundles due to additional promotional activity in the second half of fiscal 2019 in Canada; and
- growth in the business sector in Canada and the United States; partly offset by
- increasing wireless penetration in North America and various unlimited offers launched by wireless operators causing some customers to cancel their landline telephony services for wireless telephony services only; and
- a decline in the residential sector in the United States.

CASH FLOW ANALYSIS

Three months ended August 31,	August 31, 2019	August 31, 2018 (1)	Change
(in thousands of dollars, except percentages)	$	$	%
Cash flow from operating activities	314,905	268,679	17.2
Cash flow from investing activities	(145,740)	(196,627)	(25.9)
Cash flow from financing activities	(56,791)	(62,329)	(8.9)
Effect of exchange rate changes on cash and cash equivalents denominated in a foreign currency	(1,405)	(63)	—
Net change in cash and cash equivalents from continuing operations	110,969	9,660	—
Net change in cash and cash equivalent from discontinued operations	—	13,133	(100.0)
Cash and cash equivalents, beginning of the period	448,424	63,559	—
Cash and cash equivalents, end of the period	559,393	86,352	—

(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.

OPERATING ACTIVITIES

Fiscal 2019 fourth-quarter cash flow from operating activities increased by 17.2% compared to the same period of the prior year mainly from:

- higher adjusted EBITDA;
- the decreases in income taxes paid and financial expense paid; and
- the increase in changes in non-cash operating activities primarily due to changes in working capital.

INVESTING ACTIVITIES

Fiscal 2019 fourth-quarter investing activity increased by 25.9% compared to the same period of the prior year mainly due to the acquisition of spectrum licenses in the Canadian broadband services operations in the comparable period of the prior year combined with a decrease in acquisitions of property, plant and equipment.

ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT

Fiscal 2019 fourth-quarter acquisitions of property, plant and equipment decreased by 10.9% (11.4% in constant currency) compared to the same period of fiscal 2018 mainly due to the decrease of capital expenditures in the Communications segment.

FREE CASH FLOW

Fiscal 2019 fourth-quarter free cash flow increased by 70.6% (71.0% in constant currency) compared to the same period of the prior year mainly as a result of the following:

- higher adjusted EBITDA;
- the decrease in acquisitions of property, plant and equipment; and
- the decrease in financial expense.

FINANCING ACTIVITIES

Fiscal 2019 fourth-quarter change in cash flows arising from financing activities is mainly explained as follows:

Three months ended August 31,	2019	2018	Explanations
(in thousands of dollars)	$	$	
Decrease in bank indebtedness	(5,000)	(10,738)	Related to the timing of payments made to suppliers.
Net decrease under the revolving facilities	(4,980)	(17,333)	Repayments of the revolving facilities in the fourth quarter of fiscal 2018.
Repayments of long-term debt	(5,656)	(5,553)	Not significant
Increase in deferred transaction costs	(1,778)	—	Not significant.
	(17,414)	(33,624)	

DIVIDENDS

During the fourth quarter of fiscal 2019, a quarterly eligible dividend of $0.43 per share was paid to the holders of subordinate and multiple voting shares, totaling $6.9 million, compared to a quarterly dividend paid of $0.39 per share, or $6.4 million in the fourth quarter of fiscal 2018.

NORMAL COURSE ISSUER BID - Cogeco Inc.

During the fourth quarter of fiscal 2019, Cogeco purchased and cancelled 29,332 subordinate voting shares with average stated value of $0.2 million for a total consideration of $2.8 million.

NORMAL COURSE ISSUER BID - Cogeco Communications Inc.

During the fourth quarter of fiscal 2019, Cogeco Communications purchased and cancelled 169,800 subordinate voting shares with average stated value of $4.7 million for a total consideration of $17.9 million.

FISCAL 2020 FINANCIAL GUIDELINES

CONSOLIDATED

Cogeco maintains its fiscal 2020 preliminary financial guidelines as issued on July 10, 2019.

The Corporation presents its financial guidelines on a constant currency basis and believes this presentation enables an improved understanding of the Corporation's underlying financial performance, undistorted by the effects of changes in a foreign currency rate. Measures on a constant currency basis are considered non-IFRS measures and do not have any standardized meaning prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies. Moreover, the financial guidelines exclude possible acquisitions and do not take into consideration the recent CRTC costing decision setting final rates for aggregated wholesale Internet services for resellers, since these new rates are being disputed in court. For further details, please consult the "Business developments" subsection.

The following table outlines fiscal 2020 financial guidelines ranges on a consolidated basis:

	Projections (prior to the adoption of IFRS 16) (1)	Actual
	Fiscal 2020 (2)	Fiscal 2019
(in millions of dollars, except percentages)	$	$
Financial guidelines		
Revenue	Increase of 2% to 4%	2,444
Adjusted EBITDA	Increase of 2.5% to 4.5%	1,132
Acquisitions of property, plant and equipment	$465 to $485	439
Free cash flow(3)	Increase of 5% to 11%	469

(1) Fiscal 2020 financial guidelines presented as percentages reflect increases over projections for fiscal 2019 prior to the adoption of IFRS 16, *Leases*. However, management does not expect the adoption of IFRS 16 will have a significant impact on its results of operations, and therefore financial guidelines should not be impacted.

(2) Fiscal 2020 financial guidelines are based on a USD/CDN exchange rate of 1.3255 USD/CDN.

(3) The assumed current income tax effective rate is approximatively 12%

COMMUNICATIONS SEGMENT

Cogeco Communications maintains its fiscal 2020 preliminary financial guidelines as issued on July 10, 2019.

On a constant currency and consolidated basis, Cogeco Communications expects fiscal 2020 revenue to grow between 2% and 4% mainly as a result of organic growth in the American broadband services segment for both the residential and business sectors, the continued expansion in Florida and annual rate increases. In the Canadian broadband services segment, revenue growth should stem primarily from growth in the business sector and Internet customer additions.

On a constant currency and consolidated basis, fiscal 2020 adjusted EBITDA should grow between 2.5% and 4.5% mainly as a result of revenue growth exceeding operating expenses in both the American and Canadian broadband services segments.

The capital intensity ratio should increase as a result of capital expenditures growth exceeding revenue increase. In the American broadband services segment, higher capital expenditures are expected due to the continued Florida network expansion and additional investments in our network infrastructure in the areas we serve, partly offset by lower capital expenditures due to the completion of equipment replacements in the MetroCast regions in fiscal 2019. In the Canadian broadband services segment, stable capital expenditures are expected as a result of lower customer premise equipment costs, offset by investments to expand our network footprint across Ontario and Québec combined with investments in digitalization projects.

Free cash flow on a constant currency and consolidated basis should increase between 5% and 11% mainly due to the growth of adjusted EBITDA, partly offset by higher capital expenditures.

The following table outlines fiscal 2020 financial guidelines ranges on a consolidated basis:

	Projections (prior to the adoption of IFRS 16) (1)	Actual
	Fiscal 2020 (2)	Fiscal 2019
(in millions of dollars, except percentages)	**$**	$
Financial guidelines		
Revenue	**Increase of 2% to 4%**	2,332
Adjusted EBITDA	**Increase of 2.5% to 4.5%**	1,108
Acquisitions of property, plant and equipment	**$460 to $480**	435
Capital intensity	**19% to 20%**	18.6%
Free cash flow(3)	**Increase of 5% to 11%**	454

(1) Fiscal 2020 financial guidelines presented as percentages reflect increases over projections for fiscal 2019 prior to the adoption of IFRS 16, *Leases*. However, management does not expect the adoption of IFRS 16 will have a significant impact on its results of operations, and therefore financial guidelines should not be impacted.

(2) Fiscal 2020 financial guidelines are based on a USD/CDN exchange rate of 1.3255 USD/CDN.

(3) The assumed current income tax effective rate is approximatively 12%

ADDITIONAL INFORMATION

Additional information relating to the Corporation, including its Annual Information Form, is available on the SEDAR website at www.sedar.com or on the Corporation's website at corpo.cogeco.com.

ABOUT COGECO

Cogeco Inc. is a diversified holding corporation which operates in the communications and media sectors. Its Cogeco Communications Inc. subsidiary provides residential and business customers with Internet, video and telephony services through its two-way broadband fibre networks, operating in Québec and Ontario, Canada, under the Cogeco Connexion name, and in the United States under the Atlantic Broadband brand (in 11 states along the East Coast, from Maine to Florida). Its Cogeco Media subsidiary owns and operates 23 radio stations with complementary radio formats and extensive coverage serving a wide range of audiences mainly across the province of Québec, as well as Cogeco News, a news agency. Cogeco's subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CGO). The subordinate voting shares of Cogeco Communications Inc. are also listed on the Toronto Stock Exchange (TSX: CCA).

Source:	**Cogeco Inc.** Patrice Ouimet Senior Vice President and Chief Financial Officer Tel.: 514-764-4700
Information:	**Media** Marie-Hélène Labrie Senior Vice-President, Chief Public Affairs and Communications Officer Tel.: 514-764-4700

Analyst Conference Call:

Thursday, October 31, 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/cgo/en/investors/investor-relations/