News release

For immediate release

COGECO Inc. releases its second quarter 2015 financial results

Revenue increased by 3.6%, to reach $536.9 million in the second quarter;

• Adjusted EBITDA(1) increased by 3.3%, to $229.1 million compared to the second quarter of fiscal 2014 and;

• A quarterly dividend of $0.255 per share was declared, an increase 15.9% compared to fiscal 2014

Montréal, April 8, 2015 – Today, COGECO Inc. (TSX: CGO) ("COGECO" or the "Corporation") announced its financial results for the second quarter of fiscal 2015, ended February 28, 2015.

For the second quarter and first six months of fiscal 2015:

• Second-quarter revenue increased by $18.4 million, or 3.6%, to reach $536.9 million and revenue for the first six-month period ended February 28, 2015, increased by $39.8 million, or 3.8%, to reach $1.08 billion. Revenue progression for both periods was mainly driven by the growth in the Cable and Enterprise data services segment through the organic growth from most of our operating segments as well as the favorable foreign exchange rates for our foreign operations compared to last year;

• Adjusted EBITDA increased by $7.3 million, or 3.3%, to $229.1 million compared to the second quarter of fiscal 2014, and by $17.2 million, or 3.9%, to $463.1 million compared to the first six months of the prior year. The increase for both periods resulted mainly from the improvement in the Cable and Enterprise data services segment through the organic growth from most of our operating segments as well as the favorable foreign exchange rates for our foreign operations compared to the same period of last year;

• Profit for the period amounted to $55.0 million, of which $14.9 million, or $0.89 per share, is attributable to owners of the Corporation compared to $58.5 million for the same period in fiscal 2014, of which $17.4 million, or $1.04 per share, was attributable to owners of the Corporation. The decline for the quarter is mainly attributable to the increases in depreciation and amortization, financial expense and income taxes, partly offset by the improvement in adjusted EBITDA. For the first half of fiscal 2015, profit for the period amounted to $120.4 million, of which $41.6 million, or

$2.49 per share, is attributable to the owners of the Corporation compared to $115.3 million for the first six months of fiscal 2014, of which $40.4 million, or $2.42 per share, is attributable to owners of the Corporation. Profit progression for the period is mostly attributable to the improvement of the Cable and Enterprise data services segment's adjusted EBITDA, partly offset by increases in depreciation and amortization, financial expense and income taxes;

• Second-quarter free cash flow(1) decreased by $22.5 million to reach $68.9 million compared to $91.4 million in the second quarter of fiscal 2014 mainly as a result of the increase in acquisitions of property, plant and equipment of

$22.3 million. For the six-month period ended February 28, 2015, free cash flow decreased by $24.4 million to reach

$139.6 million, compared to $164.1 million for the first half of fiscal 2014 mainly due to the increase in acquisitions of property, plant and equipment of $39.9 million, partly offset by the improvement of adjusted EBITDA of $17.2 million;

• Fiscal 2015 second-quarter cash flow from operating activities reached $198.9 million compared to $187.6 million, representing an increase of $11.3 million, or 6.0%, compared to fiscal 2014 second-quarter. The variation for the quarter is mainly due to the improvement of adjusted EBITDA combined with decreases of financial expense paid and income taxes paid. For the first six months of fiscal 2015, cash flow from operating activities reached $217.9 million, a decrease of $29.9 million, or 12.1%, compared to the same period in fiscal 2014. The decrease for the period is mainly attributable to the decrease in non-cash operating activities, partly offset by the improvement of adjusted EBITDA;

(1) The indicated terms do not have standard definitions prescribed by IFRS and therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the "Non-IFRS financial measures" section of the Management's discussion and analysis ("MD&A").

• The Corporation revised its consolidated projections for the 2015 fiscal year and management expects revenue to increase by $10 million to reach approximately $2.2 billion, adjusted EBITDA by $8 million to reach $953 million and free cash flow by $10 million to reach $290 million as a result of the appreciation of the US dollar and British Pound compared to the Canadian dollar;

• A quarterly eligible dividend of $0.255 per share was paid to the holders of subordinate and multiple voting shares, an increase of $0.035 per share, or 15.9%, compared to a dividend of $0.22 per share paid in the second quarter of fiscal

2014. Dividend payments in the first six-months totaled $0.51 per share compared to $0.44 per share in fiscal 2014;

• At its April 8, 2015 meeting, the Board of Directors of COGECO declared a quarterly eligible dividend of $0.255 per share for multiple voting and subordinate voting shares payable on May 6, 2015; and

• On March 30, 2015, the Corporation's subsidiary, Cogeco Cable Canada, officially launched TiVo's digital advanced television services in Québec, which now completes the deployment of TiVo in our Canadian and American footprints. TiVo is the leader in advanced television services. The TiVo experience provides TV viewers with simple universal search, discovery, viewing and recording from any device, creating the ultimate viewing experience.

"We are satisfied with our financial results for the second quarter of fiscal year 2015," declared Louis Audet, President and Chief Executive Officer of COGECO Inc. "We continue to maintain a rigorous cost control discipline in how we leverage our spending while continuing to seize on growth opportunities."

"In the Cable and Enterprise data services segment, we are pleased with the improvements in our cable customer acquisition and retention numbers in Canada and the United States, and the Enterprise data services sector is now poised to take better advantage of growth opportunities," continued Louis Audet. "Meanwhile, despite an industry-wide slowdown in advertising sales which has touched Cogeco Diffusion, we are delighted to see our standing as the leader in the Québec radio market reinforced."

"Having completed the first half of the year, I feel our performance continues to be solid and I am confident that COGECO Inc. will deliver on its 2015 revised projections," concluded Louis Audet.

ABOUT COGECO

COGECO (www.cogeco.ca) is a diversified holding corporation. Through its Cogeco Cable subsidiary, COGECO provides to its residential and business customers analogue and digital television, high speed Internet and telephony services with its two-way broadband fibre networks. Cogeco Cable operates in Canada under the Cogeco Cable Canada name in Québec and Ontario, and in the United States under the Atlantic Broadband name in Western Pennsylvania, South Florida, Maryland/Delaware and South Carolina. Through its subsidiaries, Cogeco Data Services and Peer 1 Hosting, Cogeco Cable provides to its commercial customers a suite of information technology services (colocation, managed and dedicated hosting, managed IT, cloud and connectivity services) with 20 data centres, extensive fibre networks in Montréal and Toronto as well as points-of-presence in North America and Europe. Through its subsidiary, Cogeco Diffusion, COGECO owns and operates 13 radio stations across most of Québec with complementary radio formats serving a wide range of audiences as well as Cogeco News, its news agency. COGECO also operates Métromédia, an out-of-home advertising company specialized in the public transit sector. COGECO's subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CGO). The subordinate voting shares of Cogeco Cable are also listed on the Toronto Stock Exchange (TSX: CCA).

Source: **COGECO Inc.**

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Analyst Conference Call: **Thursday, April 9, 2015 at 11:00 a.m.** (Eastern Daylight Time) Media representatives may attend as listeners only.

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

Canada/United States Access Number: **1 800-524-8950**

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

Confirmation Code: **3132273**

By Internet at www.cogeco.ca/investors

A rebroadcast of the conference call will be available until April 15, 2015, by dialing: Canada and United States access number: **1 888-203-1112**

International access number: **+ 1 647-436-0148**

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