



Supplemental Financial Information

Third Quarter 2013

Rogers Communications Inc.
Income Statement - Historical Trend
(Unaudited)

(In millions of dollars, except per share amounts)	2013				2012				
	YTD	Q3'13	Q2'13	Q1'13	Total	Q4'12	Q3'12	Q2'12	Q1'12
Operating revenue									
Wireless	\$ 5,419	\$ 1,846	\$ 1,813	\$ 1,760	\$ 7,280	\$ 1,920	\$ 1,889	\$ 1,765	\$ 1,706
Cable	2,604	873	870	861	3,358	852	838	843	825
Business Solutions	276	93	90	93	351	88	86	90	87
Media	1,251	440	470	341	1,620	434	392	440	354
Corporate items and intercompany eliminations	(87)	(28)	(31)	(28)	(123)	(33)	(29)	(32)	(29)
Total operating revenue	9,463	3,224	3,212	3,027	12,486	3,261	3,176	3,106	2,943
Adjusted operating profit (loss)									
Wireless	2,461	875	821	765	3,063	687	843	796	737
Cable	1,285	425	431	429	1,605	421	403	403	378
Business Solutions	77	29	25	23	89	27	22	22	18
Media	112	55	64	(7)	190	75	50	79	(14)
Corporate items and intercompany eliminations	(109)	(43)	(35)	(31)	(113)	(34)	(30)	(24)	(25)
Adjusted operating profit⁽¹⁾	3,826	1,341	1,306	1,179	4,834	1,176	1,288	1,276	1,094
Stock-based compensation (expense) recovery	(66)	(7)	(1)	(58)	(77)	(57)	(26)	12	(6)
Restructuring, acquisition and other expenses	(61)	(38)	(14)	(9)	(92)	(10)	(7)	(33)	(42)
Depreciation and amortization	(1,390)	(477)	(463)	(450)	(1,819)	(453)	(437)	(466)	(463)
Impairment of assets	-	-	-	-	(80)	(80)	-	-	-
Operating income	2,309	819	828	662	2,766	576	818	789	583
Finance costs	(546)	(180)	(185)	(181)	(664)	(176)	(169)	(159)	(160)
Other income (expense)	67	(3)	60	10	250	241	(6)	7	8
Income before income taxes	1,830	636	703	491	2,352	641	643	637	431
Income tax expense	(481)	(172)	(171)	(138)	(620)	(112)	(177)	(224)	(107)
Net income from continuing operations	1,349	464	532	353	1,732	529	466	413	324
Loss from discontinued operations	-	-	-	-	(32)	-	-	(13)	(19)
Net income	\$ 1,349	\$ 464	\$ 532	\$ 353	\$ 1,700	\$ 529	\$ 466	\$ 400	\$ 305
Earnings per share from continuing operations:									
Basic	\$ 2.62	\$ 0.90	\$ 1.03	\$ 0.69	\$ 3.34	\$ 1.03	\$ 0.90	\$ 0.79	\$ 0.62
Diluted	\$ 2.60	\$ 0.90	\$ 0.93	\$ 0.68	\$ 3.32	\$ 1.02	\$ 0.90	\$ 0.77	\$ 0.61
Earnings per share:									
Basic	\$ 2.62	\$ 0.90	\$ 1.03	\$ 0.68	\$ 3.28	\$ 1.03	\$ 0.90	\$ 0.77	\$ 0.58
Diluted	\$ 2.60	\$ 0.90	\$ 0.93	\$ 0.68	\$ 3.26	\$ 1.02	\$ 0.90	\$ 0.75	\$ 0.57
Net income from continuing operations	\$ 1,349	\$ 464	\$ 532	\$ 353	\$ 1,732	\$ 529	\$ 466	\$ 413	\$ 324
Add (deduct):									
Stock-based compensation expense (recovery)	66	7	1	58	77	57	26	(12)	6
Restructuring, acquisition and other expenses	61	38	14	9	92	10	7	33	42
Impairment of assets	-	-	-	-	80	80	-	-	-
Gain on sale of investments	(47)	-	(47)	-	(233)	(233)	-	-	-
Income tax impact of above items	(25)	(8)	(11)	(6)	(14)	(11)	(4)	(10)	(12)
Income tax adjustment, legislative tax change	8	-	8	-	54	-	-	54	-
Adjusted net income⁽¹⁾	\$ 1,412	\$ 501	\$ 497	\$ 414	\$ 1,788	\$ 455	\$ 495	\$ 478	\$ 360
Adjusted earnings per share from continuing operations ⁽¹⁾ :									
Basic	\$ 2.74	\$ 0.97	\$ 0.97	\$ 0.80	\$ 3.45	\$ 0.88	\$ 0.96	\$ 0.92	\$ 0.69
Diluted	\$ 2.73	\$ 0.97	\$ 0.96	\$ 0.80	\$ 3.43	\$ 0.88	\$ 0.96	\$ 0.91	\$ 0.68

(1) Adjusted operating profit, adjusted net income and adjusted basic and diluted earnings per share are non-GAAP measures and should not be considered as a substitute or alternative GAAP measure, in each case determined in accordance with IFRS. See the section "Non-GAAP Measures" on page 10 of this document. These measures do not have any standardized meaning under IFRS and are therefore unlikely to be comparable to similar measures presented by other companies.

Rogers Communications Inc.
Additional Information
(Unaudited)

(In millions of dollars, except where otherwise indicated)	2013				2012				
	YTD	Q3'13	Q2'13	Q1'13	Total	Q4'12	Q3'12	Q2'12	Q1'12
Additions to PP&E									
Wireless	\$ 622	\$ 192	\$ 191	\$ 239	\$ 1,123	\$ 386	\$ 299	\$ 215	\$ 223
Cable	747	299	267	181	832	259	186	199	188
Business Solutions	66	20	31	15	61	16	15	15	15
Media	45	18	16	11	55	23	11	11	10
Corporate	57	19	20	18	71	23	17	18	13
Total additions to PP&E	\$ 1,537	\$ 548	\$ 525	\$ 464	\$ 2,142	\$ 707	\$ 528	\$ 458	\$ 449
Capital intensity ⁽¹⁾									
Wireless	12.2%	11.1%	11.4%	14.2%	16.7%	22.6%	17.1%	13.0%	13.8%
Cable	28.7%	34.2%	30.7%	21.0%	24.8%	30.4%	22.2%	23.6%	22.8%
Business Solutions	23.9%	21.5%	34.4%	16.1%	17.4%	18.2%	17.4%	16.7%	17.2%
Media	3.6%	4.1%	3.4%	3.2%	3.4%	5.3%	2.8%	2.5%	2.8%
Consolidated	16.2%	17.0%	16.3%	15.3%	17.2%	21.7%	16.6%	14.7%	15.3%
Adjusted operating profit ⁽²⁾	\$ 3,826	\$ 1,341	\$ 1,306	\$ 1,179	\$ 4,834	\$ 1,176	\$ 1,288	\$ 1,276	\$ 1,094
Add (deduct):									
PP&E expenditures	(1,537)	(548)	(525)	(464)	(2,142)	(707)	(528)	(458)	(449)
Interest on long-term debt, net of capitalization	(524)	(173)	(179)	(172)	(663)	(173)	(171)	(162)	(157)
Pre-tax free cash flow⁽²⁾	1,765	620	602	543	2,029	296	589	656	488
Cash income taxes	(326)	(114)	(97)	(115)	(380)	(257)	(28)	(23)	(72)
After-tax free cash flow⁽²⁾	\$ 1,439	\$ 506	\$ 505	\$ 428	\$ 1,649	\$ 39	\$ 561	\$ 633	\$ 416
Weighted average number of shares outstanding	515	515	515	515	519	515	515	521	525
Pre-tax free cash flow per share	\$ 3.43	\$ 1.20	\$ 1.17	\$ 1.05	\$ 3.91	\$ 0.57	\$ 1.14	\$ 1.26	\$ 0.93
Dividends declared	\$ 672	\$ 224	\$ 224	\$ 224	\$ 820	\$ 204	\$ 204	\$ 205	\$ 207
Dividends per share	1.305	0.435	0.435	0.435	1.58	0.395	0.395	0.395	0.395

(1) As defined. See the section "Key Performance Indicators" on page 9 of this document.

(2) As defined. See the section "Non-GAAP Measures" on page 10 of this document.

Rogers Communications Inc.
Additional Information
(Unaudited)

(In millions of dollars)	2013				2012				
	YTD	Q3'13	Q2'13	Q1'13	Total	Q4'12	Q3'12	Q2'12	Q1'12
Cash provided by operating activities	\$ 2,918	\$1,052	\$ 1,061	\$ 805	\$ 3,421	\$ 668	\$ 1,146	\$ 1,079	\$ 528
Add (deduct):									
PP&E expenditures	(1,537)	(548)	(525)	(464)	(2,142)	(707)	(528)	(458)	(449)
Interest on long-term debt expense, net of capitalization	(524)	(173)	(179)	(172)	(663)	(173)	(171)	(162)	(157)
Restructuring, acquisition and other expenses	61	38	14	9	92	10	7	33	42
Cash income taxes	326	114	97	115	380	257	28	23	72
Interest paid	615	268	125	222	680	125	223	87	245
Other adjustments	(94)	(131)	9	28	261	116	(116)	54	207
Pre-tax free cash flow ⁽¹⁾	\$ 1,765	\$ 620	\$ 602	\$ 543	\$ 2,029	\$ 296	\$ 589	\$ 656	\$ 488
Cash income taxes	(326)	(114)	(97)	(115)	(380)	(257)	(28)	(23)	(72)
After-tax free cash flow ⁽¹⁾	\$ 1,439	\$ 506	\$ 505	\$ 428	\$ 1,649	\$ 39	\$ 561	\$ 633	\$ 416

(1) As defined. See the section "Non-GAAP Measures" on page 10 of this document.

Adjusted Net Debt

(In millions of dollars)	Q3'13	Q2'13	Q1'13	Q4'12	Q3'12	Q2'12	Q1'12
Long-term debt	\$10,469	\$10,547	\$10,409	\$10,441	\$10,392	\$10,530	\$10,194
Current portion of long-term debt	1,133	1,157	1,473	348	344	356	-
	11,602	11,704	11,882	10,789	10,736	10,886	10,194
Add (deduct):							
Net derivative liabilities for Debt Derivatives	94	211	512	524	578	432	539
Deferred transaction costs and fair value decrement	76	79	82	69	73	70	65
Short-term borrowings	650	650	400	-	-	-	-
Cash and cash equivalents	(844)	(875)	(1,434)	(213)	(459)	(603)	44
Adjusted net debt ⁽¹⁾	\$11,578	\$11,769	\$11,442	\$11,169	\$10,928	\$10,785	\$10,842

(1) As defined. See the section "Non-GAAP Measures" on page 10 of this document.

Rogers Communications Inc.
Balance Sheet – Historical Trend
(Unaudited)

(In millions of dollars)

	Q3'13	Q2'13	Q1'13	Q4'12	Q3'12	Q2'12	Q1'12
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 844	\$ 875	\$ 1,434	\$ 213	\$ 459	\$ 603	\$ -
Accounts receivable	1,364	1,416	1,365	1,536	1,429	1,365	1,351
Other current assets	554	567	750	464	399	527	471
Current portion of derivative instruments	21	43	23	8	6	15	10
Total current assets	2,783	2,901	3,572	2,221	2,293	2,510	1,832
Property, plant and equipment	9,964	9,848	9,625	9,576	9,289	9,163	9,130
Goodwill	3,652	3,648	3,215	3,215	3,282	3,280	3,280
Intangible assets	3,187	3,219	2,970	2,951	2,630	2,633	2,685
Investments	1,460	1,408	1,591	1,484	1,445	1,052	1,165
Derivative instruments	83	127	64	42	20	93	39
Other long-term assets	339	324	154	98	133	133	130
Deferred tax assets	29	26	39	31	40	38	39
Total assets	\$21,497	\$21,501	\$21,230	\$19,618	\$19,132	\$18,902	\$18,300
LIABILITIES AND SHAREHOLDERS' EQUITY							
Current liabilities:							
Bank advances	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44
Short-term borrowings	650	650	400	-	-	-	-
Accounts payable and accrued liabilities	1,930	1,986	2,010	2,135	1,852	1,732	1,651
Income tax payable	146	78	38	24	150	135	24
Current portion of provisions	6	6	7	7	25	26	27
Current portion of long-term debt	1,133	1,157	1,473	348	344	356	-
Current portion of derivative instruments	103	269	363	144	161	136	49
Unearned revenue	324	344	352	344	311	343	348
Total current liabilities	4,292	4,490	4,643	3,002	2,843	2,728	2,143
Provisions	34	34	34	31	34	34	37
Long-term debt	10,469	10,547	10,409	10,441	10,392	10,530	10,194
Derivative instruments	114	135	209	417	431	382	516
Other long-term liabilities	459	438	448	458	240	250	261
Deferred tax liabilities	1,624	1,603	1,517	1,501	1,569	1,483	1,410
Total liabilities	16,992	17,247	17,260	15,850	15,509	15,407	14,561
Shareholders' equity	4,505	4,254	3,970	3,768	3,623	3,495	3,739
Total liabilities and equity	\$21,497	\$21,501	\$21,230	\$19,618	\$19,132	\$18,902	\$18,300

Rogers Communications Inc.
Cash Flow – Historical Trend
(Unaudited)

(In millions of dollars)	2013				2012				
	YTD	Q3'13	Q2'13	Q1'13	Total	Q4'12	Q3'12	Q2'12	Q1'12
Cash provided by (used in):									
Operating activities:									
Net income for the period	\$ 1,349	\$ 464	\$ 532	\$ 353	\$ 1,700	\$ 529	\$ 466	\$ 400	\$ 305
Adjustments to reconcile net income to net cash flows from operating activities:									
Depreciation and amortization	1,390	477	463	450	1,819	453	437	466	463
Impairment of assets	-	-	-	-	80	80	-	-	-
Gain on sale of investments	(47)	-	(47)	-	(233)	(233)	-	-	-
Program rights amortization	35	11	11	13	73	13	11	27	22
Finance costs	546	180	185	181	664	176	169	159	160
Income tax expense	481	172	171	138	610	112	177	220	101
Pension contributions, net of expense	(25)	(8)	(14)	(3)	(36)	(7)	(11)	(14)	(4)
Stock-based compensation expense (recovery)	66	7	1	58	77	57	26	(12)	6
Other	(7)	3	(9)	(1)	(25)	(22)	9	(4)	(8)
	3,788	1,306	1,293	1,189	4,729	1,158	1,284	1,242	1,045
Change in non-cash operating working capital items	71	128	(10)	(47)	(248)	(108)	113	(53)	(200)
	3,859	1,434	1,283	1,142	4,481	1,050	1,397	1,189	845
Income taxes paid	(326)	(114)	(97)	(115)	(380)	(257)	(28)	(23)	(72)
Interest paid	(615)	(268)	(125)	(222)	(680)	(125)	(223)	(87)	(245)
	2,918	1,052	1,061	805	3,421	668	1,146	1,079	528
Investing activities:									
Additions to property, plant and equipment ("PP&E")	(1,537)	(548)	(525)	(464)	(2,142)	(707)	(528)	(458)	(449)
Change in non-cash working capital items related to PP&E	(155)	(20)	(83)	(52)	136	185	53	(7)	(95)
Acquisitions and other strategic transactions	(847)	(6)	(541)	(300)	-	-	-	-	-
Proceeds on sale of TVtropolis	59	-	-	59	-	-	-	-	-
Investments	-	-	-	-	(707)	(167)	(540)	-	-
Additions to program rights	(41)	(15)	(12)	(14)	(90)	(23)	(46)	(3)	(18)
Other	(32)	(7)	(1)	(24)	(31)	2	(19)	(8)	(6)
	(2,553)	(596)	(1,162)	(795)	(2,834)	(710)	(1,080)	(476)	(568)
Financing activities:									
Issuance of long-term debt	1,030	-	-	1,030	2,090	-	-	1,500	590
Repayment of long-term debt	(356)	-	(356)	-	(1,240)	-	-	(890)	(350)
Payment on settlement of cross-currency interest rate exchange agreements and forward contracts	(1,029)	(263)	(766)	-	-	-	-	-	-
Proceeds on settlement of cross-currency interest rate exchange agreements and forward contracts	662	-	662	-	-	-	-	-	-
Transaction costs incurred	(17)	-	(2)	(15)	(14)	-	(5)	(9)	-
Repurchase of Class B Non-Voting shares	(22)	-	(22)	-	(350)	-	-	(350)	-
Proceeds on short-term borrowings	650	-	250	400	-	-	-	-	-
Dividends paid	(652)	(224)	(224)	(204)	(803)	(204)	(205)	(207)	(187)
	266	(487)	(458)	1,211	(317)	(204)	(210)	44	53
Change in cash and cash equivalents	631	(31)	(559)	1,221	270	(246)	(144)	647	13
Cash and cash equivalents, beginning of period	213	875	1,434	213	(57)	459	603	(44)	(57)
Cash and cash equivalents, end of period	\$ 844	\$ 844	\$ 875	\$ 1,434	\$ 213	\$ 213	\$ 459	\$ 603	\$ (44)

Rogers Communications Inc.
Wireless – Historical Trend
(Unaudited)

(In millions of dollars, except where otherwise indicated)	2013				2012				
	YTD	Q3'13	Q2'13	Q1'13	Total	Q4'12	Q3'12	Q2'12	Q1'12
Operating revenue									
Network revenue	\$5,079	\$1,726	\$1,670	\$1,683	\$6,719	\$1,711	\$1,744	\$1,652	\$1,612
Equipment sales	340	120	143	77	561	209	145	113	94
Total operating revenue	5,419	1,846	1,813	1,760	7,280	1,920	1,889	1,765	1,706
Operating expenses ⁽¹⁾									
Cost of equipment sales	(1,048)	(321)	(378)	(349)	(1,585)	(558)	(379)	(324)	(324)
Other operating expenses	(1,910)	(650)	(614)	(646)	(2,632)	(675)	(667)	(645)	(645)
	(2,958)	(971)	(992)	(995)	(4,217)	(1,233)	(1,046)	(969)	(969)
Adjusted operating profit	2,461	875	821	765	3,063	687	843	796	737
Adjusted operating profit margin as % of network revenue	48.5%	50.7%	49.2%	45.5%	45.6%	40.2%	48.3%	48.2%	45.7%
Additions to PP&E	\$ 622	\$ 192	\$ 191	\$ 239	\$1,123	\$ 386	\$ 299	\$ 215	\$ 223
Data revenue included in network revenue	\$2,350	\$ 824	\$ 764	\$ 762	\$2,722	\$ 727	\$ 719	\$ 649	\$ 627
Data revenue as a % of network revenue	46%	48%	46%	45%	41%	42%	41%	39%	39%
ARPU ⁽¹⁾									
Postpaid ARPU	\$68.22	\$68.77	\$67.36	\$68.56	\$69.30	\$69.75	\$71.50	\$68.46	\$67.39
Prepaid ARPU	\$15.70	\$16.84	\$15.79	\$14.63	\$15.84	\$15.83	\$16.73	\$15.91	\$14.99
Blended ARPU	\$59.91	\$60.81	\$59.30	\$59.68	\$59.79	\$60.48	\$61.92	\$59.10	\$57.65
Postpaid ⁽¹⁾									
Gross additions	1,052	359	374	319	1,457	387	386	350	334
Net additions	194	64	98	32	268	58	76	87	47
Total postpaid subscribers	8,040	8,040	7,976	7,878	7,846	7,846	7,788	7,708	7,621
Monthly churn	1.21%	1.23%	1.17%	1.22%	1.29%	1.40%	1.34%	1.15%	1.26%
Prepaid ⁽¹⁾									
Gross additions	405	161	126	118	627	131	186	156	154
Net additions (losses)	(133)	16	(56)	(93)	(170)	(53)	1	(46)	(72)
Total prepaid subscribers	1,458	1,458	1,442	1,498	1,591	1,591	1,644	1,643	1,689
Monthly churn	3.99%	3.33%	4.13%	4.48%	3.98%	3.77%	3.77%	4.04%	4.31%

(1) As defined. See the section "Key Performance Indicators" on page 9 of this document.

Rogers Communications Inc.
Cable – Historical Trend
(Unaudited)

(In millions of dollars, except where otherwise indicated)	2013				2012				
	YTD	Q3'13	Q2'13	Q1'13	Total	Q4'12	Q3'12	Q2'12	Q1'12
Operating revenue									
Television	\$1,367	\$ 452	\$ 457	\$ 458	\$1,868	\$ 462	\$ 466	\$ 475	\$ 465
Internet	858	294	287	277	998	263	249	245	241
Phone	373	125	125	123	477	122	119	120	116
Service revenue	2,598	871	869	858	3,343	847	834	840	822
Equipment sales	6	2	1	3	15	5	4	3	3
Total operating revenue	2,604	873	870	861	3,358	852	838	843	825
Operating expenses ⁽¹⁾									
Cost of equipment sales	(4)	(2)	-	(2)	(20)	(6)	(5)	(6)	(3)
Other operating expenses	(1,315)	(446)	(439)	(430)	(1,733)	(425)	(430)	(434)	(444)
Total operating expenses	(1,319)	(448)	(439)	(432)	(1,753)	(431)	(435)	(440)	(447)
Adjusted operating profit	1,285	425	431	429	1,605	421	403	403	378
Adjusted operating profit margin	49.3%	48.7%	49.5%	49.8%	47.8%	49.4%	48.1%	47.8%	45.8%
Additions to PP&E	\$ 747	\$ 299	\$ 267	\$ 181	\$ 832	\$ 259	\$ 186	\$ 199	\$ 188
Cable homes passed	3,956	3,956	3,909	3,828	3,810	3,810	3,799	3,777	3,764
Television ⁽¹⁾									
Net losses	(99)	(39)	(35)	(25)	(83)	(25)	(16)	(21)	(21)
Total television subscribers	2,155	2,155	2,194	2,189	2,214	2,214	2,239	2,255	2,276
Internet ⁽¹⁾									
Net additions	50	18	6	26	73	22	29	9	13
Total Internet subscribers	1,948	1,948	1,930	1,890	1,864	1,864	1,844	1,815	1,806
Phone ⁽¹⁾									
Net additions	37	3	17	17	23	10	4	8	1
Total phone subscribers	1,148	1,148	1,145	1,091	1,074	1,074	1,065	1,061	1,053
Total service units ⁽¹⁾									
Net additions (losses)	(12)	(18)	(12)	18	13	7	17	(4)	(7)
Total service units	5,251	5,251	5,269	5,170	5,152	5,152	5,148	5,131	5,135

(1) As defined. See the section "Key Performance Indicators" on page 9 of this document.

Rogers Communications Inc.
Business Solutions – Historical Trend
(Unaudited)

(In millions of dollars, except margins)	2013	Q3'13	Q2'13	Q1'13	2012	Q4'12	Q3'12	Q2'12	Q1'12
	YTD				Total				
Operating revenue									
Next generation	\$ 150	\$ 54	\$ 52	\$ 44	\$ 162	\$ 43	\$ 41	\$ 43	\$ 35
Legacy	115	38	37	40	183	43	44	46	50
Service revenue	265	92	89	84	345	86	85	89	85
Equipment sales	11	1	1	9	6	2	1	1	2
Total operating revenue	276	93	90	93	351	88	86	90	87
Operating expenses ⁽¹⁾	(199)	(64)	(65)	(70)	(262)	(61)	(64)	(68)	(69)
Adjusted operating profit	77	29	25	23	89	27	22	22	18
Adjusted operating profit margin	27.9%	31.2%	27.8%	24.7%	25.4%	30.7%	25.6%	24.4%	20.7%
Additions to PP&E	\$ 66	\$ 20	\$ 31	\$ 15	\$ 61	\$ 16	\$ 15	\$ 15	\$ 15

(1) As defined. See the section "Key Performance Indicators" on page 9 of this document.

Rogers Communications Inc.
Media – Historical Trend
(Unaudited)

(In millions of dollars, except margins)	2013	Q3'13	Q2'13	Q1'13	2012	Q4'12	Q3'12	Q2'12	Q1'12
	YTD				Total				
Operating revenue	\$1,251	\$ 440	\$ 470	\$ 341	\$1,620	\$ 434	\$ 392	\$ 440	\$ 354
Operating expenses ⁽¹⁾	(1,139)	(385)	(406)	(348)	(1,430)	(359)	(342)	(361)	(368)
Adjusted operating profit (loss)	112	55	64	(7)	190	75	50	79	(14)
Adjusted operating profit (loss) margin	9.0%	12.5%	13.6%	(2.1%)	11.7%	17.3%	12.8%	18.0%	(4.0%)
Additions to PP&E	\$ 45	\$ 18	\$ 16	\$ 11	\$ 55	\$ 23	\$ 11	\$ 11	\$ 10

(1) As defined. See the section "Key Performance Indicators" on page 9 of this document.

Key Performance Indicators

We measure the success of our strategies using a number of key performance indicators that are defined and discussed in our 2012 Annual MD&A and this interim quarterly MD&A. We believe these key performance indicators allow us to appropriately measure our performance against our operating strategy as well as against the results of our peers and competitors.

Average Revenue per User: Average Revenue per User (“ARPU”) is calculated on a monthly basis. For any particular month, ARPU represents monthly revenue divided by the average number of subscribers during the month. In the case of Wireless, ARPU represents monthly network revenue divided by the average number of subscribers during the month. When used in connection with a particular type of subscriber, ARPU represents monthly revenue generated from those subscribers divided by the average number of those subscribers during the month. When used or reported for a period greater than one month, ARPU represents the monthly average of the ARPU calculations for the period. We believe ARPU helps to identify trends and to indicate whether we have been successful in attracting and retaining higher value subscribers.

Subscriber Counts: We determine the number of subscribers to our services based on active subscribers. A wireless subscriber is represented by each identifiable telephone number. Cable Television and Internet subscribers are represented by a dwelling unit, and cable telephony subscribers are represented by line counts. In the case of multiple units in one dwelling, such as an apartment building, each tenant with cable service, whether invoiced individually or having services included in his or her rent, is counted as an individual subscriber. Institutional units, such as hospitals or hotels, are each considered to be one subscriber. When subscribers are deactivated, either voluntarily or involuntarily for non-payment, they are considered to be deactivations in the period the services are discontinued. Wireless prepaid subscribers are considered active for a period of 180 days from the date of their last revenue-generating usage. We report wireless subscribers in two categories: postpaid and prepaid. Postpaid and prepaid include voice-only subscribers, data-only subscribers, and subscribers with service plans integrating both voice and data. Internet, Home Phone and Business Solutions subscribers include only those subscribers with service installed, operating and on billing and excludes those subscribers who have subscribed to the service but for whom installation of the service was still pending.

Subscriber Churn: Subscriber churn is calculated on a monthly basis. For any particular month, subscriber churn for Wireless and Cable represents the number of subscribers deactivating in the month divided by the aggregate number of subscribers at the beginning of the month. When used or reported for a period greater than one month, subscriber churn represents the sum of the number of subscribers deactivating for each period incurred divided by the sum of the aggregate number of subscribers at the beginning of each period incurred.

Operating Expenses: Operating expenses are segregated into two categories for assessing business performance:

- Cost of equipment sales; and
- Other operating expenses.

In the Wireless and Cable industries in Canada, the demand for services continues to grow, and the variable costs, such as commissions paid for subscriber activations, as well as the fixed costs of acquiring new subscribers, are significant. Fluctuations in the number of activations of new subscribers from period-to-period and the seasonal nature of both wireless and cable subscriber additions result in fluctuations in sales and marketing-related expenses and accordingly, in the overall level of operating expenses. In our Media business, sales and marketing related expenses may be significant to promote publishing, radio and television properties, which in turn attract advertisers, viewers, listeners and readers.

Capital Intensity: Capital intensity provides a comparative basis on the level of PP&E additions within the industry. It is computed as the total additions to PP&E divided by the total operating revenue. In case of Wireless, capital intensity represents the total additions to PP&E divided by the total network revenue.

Additional GAAP Measures

We include operating income as an additional GAAP measure in our consolidated statements of income. Operating income is defined as revenue less operating expenses, including restructuring, acquisition and other expenses and depreciation and amortization, as shown on our consolidated statements of income. We consider operating income to be representative of the activities that would normally be regarded as operating for the Company. We believe operating income provides relevant information that can be used to assess the consolidated performance of the Company and, therefore, that it provides meaningful information to investors.

Non-GAAP Measures

Adjusted operating profit, free cash flow and the 'adjusted' amounts presented above are reviewed regularly by management and our Board of Directors in assessing our performance and in making decisions regarding the ongoing operations of the business and the ability to generate cash flows. These measures do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. These measures are also used by investors and lending institutions as an indicator of our operating performance, our ability to incur and service debt, and as measurement to value companies in the telecommunications industry. We have reconciled these non-GAAP measures to their most directly comparable measure calculated in accordance with IFRS.

Adjusted operating profit: The term adjusted operating profit does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other companies. We define adjusted operating profit as operating income before stock-based compensation expense, restructuring, acquisition and other expenses, impairment of assets and depreciation and amortization. We use adjusted operating profit to evaluate the performance of our businesses and in making decisions regarding the ongoing operations of the business and the ability to generate cash flows. We believe that certain investors and analysts use adjusted operating profit to measure our ability to service debt and to meet other payment obligations. Adjusted operating profit also is one component in the determination of short-term incentive compensation for all management employees. The most comparable IFRS financial measure is operating income.

Adjusted net income and adjusted earnings per share: The terms adjusted net income and adjusted basic and diluted earnings per share do not have any standardized meaning under IFRS. Therefore, they are unlikely to be comparable to similar measures presented by other companies. We define adjusted net income as net income before stock-based compensation expense, restructuring, acquisition and other expenses, losses on redemption of long-term debt, impairment of assets, gain on spectrum distribution, gain on sale of investments, and the related income tax impacts of the preceding items and the legislative tax rate changes. We use adjusted net income and adjusted earnings per share, among other measures, to assess the performance of our businesses without the effects of the preceding items because they affect the comparability of our financial results and could potentially distort the analysis of trends in business performance. Excluding these items does not imply they are non-recurring. The most comparable IFRS financial measures are net income and earnings per share.

Free cash flow: The terms pre-tax and after-tax free cash flow do not have any standardized meanings under IFRS. Therefore, they are unlikely to be comparable to similar measures presented by other companies. We define pre-tax free cash flow as adjusted operating profit less property, plant and equipment expenditures and interest expense on long-term debt (net of capitalization). After-tax free cash flow is pre-tax free cash flow less cash income taxes paid. We consider free cash flow to be an important indicator of the financial strength and performance of our business because it shows the amount of cash that is available to repay debt and reinvest in our company. We believe that certain investors and analysts use free cash flow to value a business and its underlying assets. The most comparable IFRS financial measure is cash flows from operating activities.

Adjusted net debt: The term adjusted net debt does not have any standardized meaning under IFRS. Therefore, it is unlikely to be comparable to similar measures presented by other companies. We define adjusted net debt as long-term debt before deferred transactions costs, plus Debt Derivatives, short-term borrowings less cash and cash equivalents. We use adjusted net debt to conduct valuation-related analysis and make capital structure related decisions. We believe this is useful to investors and analysts in enabling them to analyze our enterprise and equity value and to assess various leverage ratios as performance measures. The most comparable IFRS financial measure is long-term debt.