

Q3 2019 Results

October 23, 2019



Cautionary note

The following materials are for presentation purposes only. They accompany the discussions held during Rogers Communications Inc.'s (Rogers) investor conference call on October 23, 2019. These materials should be read in conjunction with the disclosure documents referenced below.

Certain statements made in this presentation, including, but not limited to, statements relating to expected future events, financial and operating results, guidance, objectives, plans, strategic priorities and other statements that are not historical facts, are forward-looking. By their nature, forward-looking statements require Rogers' management to make assumptions and predictions and are subject to inherent risks and uncertainties, thus there is risk that the forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause actual future results and events to differ materially from that expressed in the forward-looking statements. Accordingly, our comments are subject to the disclaimer and qualified by the assumptions and risk factors referred to in Rogers' 2018 Annual Report and Rogers' Third Quarter 2019 MD&A (which was issued on October 23, 2019), as filed with securities regulators at sedar.com and sec.gov, and also available at investors.rogers.com. The forward-looking statements made in this presentation and discussion describe our expectations as of today and, accordingly, are subject to change going forward. Except as required by law, Rogers disclaims any intention or obligation to update or revise forward-looking statements.

This presentation includes non-GAAP measures, including adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted diluted EPS, adjusted net debt, debt leverage ratio (adjusted net debt / 12-months trailing adjusted EBITDA), and free cash flow. Descriptions of these measures and why they are used can be found in the disclosure documents referenced above. Effective January 1, 2019, we adopted the new accounting standard, IFRS 16, *Leases* (IFRS 16), that is discussed in "Critical Accounting Policies and Estimates" in Rogers' Third Quarter 2019 MD&A. The adoption of IFRS 16 had a significant effect on our reported results. Due to our selected transition method, we have not restated our prior year comparatives.

This presentation discusses certain key performance indicators used by Rogers, including total service revenue (total revenue excluding equipment revenue in Wireless and Cable), subscriber counts, subscriber churn, blended ARPU, and blended ABPU. Descriptions of these indicators can be found in the disclosure documents referenced above.

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The shift to Rogers Infinite™ unlimited data plans

**1 million
subscribers**

now on Rogers Infinite

3x the rate of adoption
of "no more overage"
plans than expected

Positioned for the future
with growing data usage



ROGERS Infinite.





Continued Internet growth

Strong residential and small business
Internet results



1 Gbps capability across entire Cable footprint
driving increase in market penetration



Consistent investments in our core
networks while maintaining a strong
balance sheet



First principles of Rogers Infinite plans

1 / Accelerate Data Growth:

60% of customers upgrading to Rogers Infinite plans

Average data usage up over **50%** for Rogers Infinite customers

2 / Drive the “Simplicity Dividend”:

Likelihood to recommend up approximately **30%**

50% reduction in top customer call drivers

30% increase in online hardware upgrades

3 / Improve the economics of acquisition and retention:

Device financing vs. device subsidies: significant **cost structure shift**

Major **cost savings** expected once system transition is complete



ROGERS Infinite.



DATA OVERAGE PROTECTION



Building on customer first

Introduced Data Overage
Protection for Fido customers



Maintaining solid service level, with
fewer calls



Announced Pro On-the-Go™ service
to bring the store to your door



Awarded "Best in Test" for overall wireless
customer experience nationally by P3





Financial performance



Q3 Wireless results

0%

Total revenue

+4%

Adjusted EBITDA

+190 bps

Adj. EBITDA margin

-2%

Blended ARPU

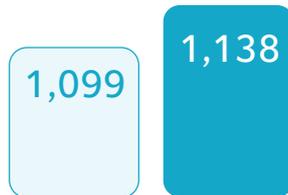
(\$M)



Q3'18

Q3'19

(\$M)



Q3'18

Q3'19

(%)



Q3'18

Q3'19

(\$)



Q3'18

Q3'19

Postpaid net adds of 103k

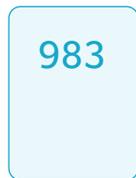


Q3 Cable results

+1%

Revenue

(\$M)



Q3'18

Q3'19

+2%

Adjusted EBITDA

(\$M)



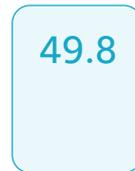
Q3'18

Q3'19

+40 bps

Adj. EBITDA margin

(%)



Q3'18

Q3'19

+7%

Internet revenue

(\$M)



Q3'18

Q3'19

Internet net adds of 41k



Q3 Media results

-1%

Revenue

(\$M)

488

Q3'18

483

Q3'19

+78%

Adjusted EBITDA

(\$M)

73

Q3'18

130

Q3'19



Q3 consolidated results

	Q3'19	%Chg
In millions of dollars, except percentages and per share amounts		
Total service revenue	3,233	(1)
Adjusted EBITDA	1,712	6
Adjusted EBITDA margin	45.6%	2.6 pts
Net income	593	-
Adjusted net income	622	-
Adjusted diluted EPS	\$1.19	(2)
Capital expenditures	657	(6)
Capital intensity	17.5%	(1.1 pts)
Free cash flow	767	22

Service revenue results reflect accelerated adoption of Rogers Infinite plans

Healthy FCF growth driven by successful cost management and capital efficiencies

Capital intensity improvement driven by lower Cable capex due to reduced customer premise equipment purchases.



Returning capital to shareholders

Q3'19

\$93 million

share buyback

\$256 million

dividends paid

YTD

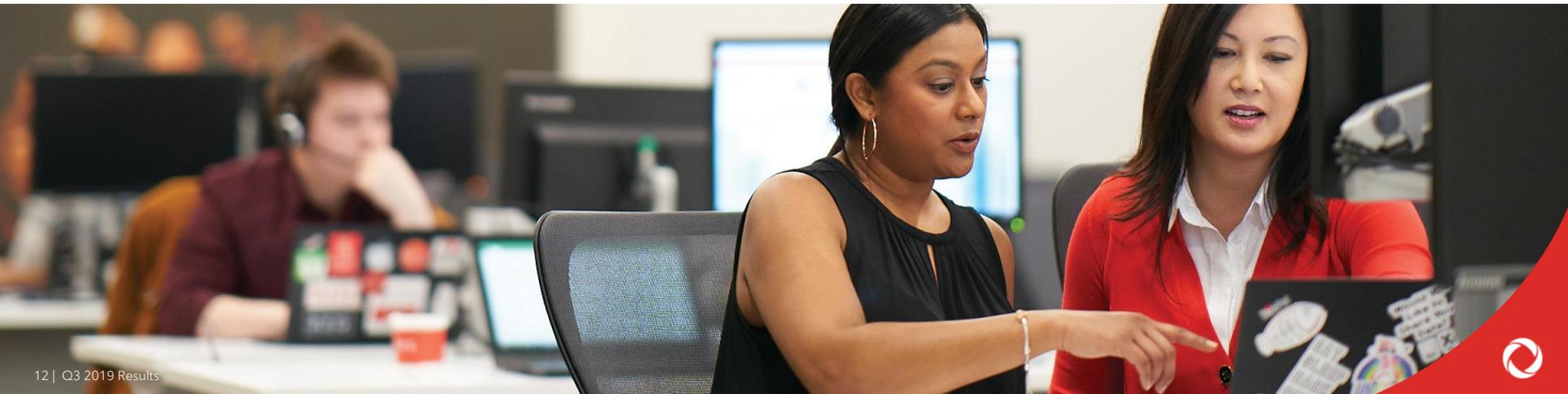
\$1.1 billion

cash returned to shareholders in
first nine months of 2019



+43%

up \$317 million

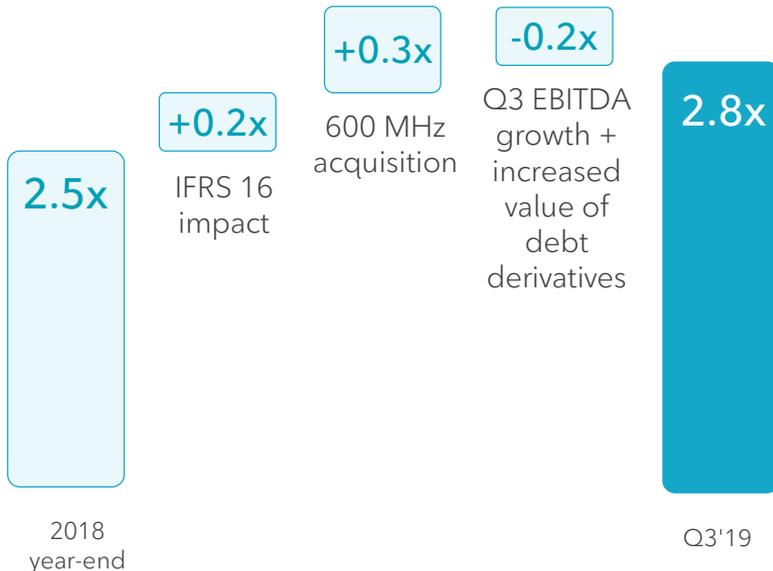


Financial flexibility

2.8x

Debt Leverage Ratio

- Cash provided by operating activities of \$1.3 billion in the third quarter of 2019
- Investment-grade balance sheet remains healthy with total net available liquidity of \$2.8 billion
- Acquisition of 600 MHz spectrum impacted debt leverage ratio by 0.3x
- IFRS 16 implementation impacted debt leverage ratio by 0.2x
- EBITDA growth and increase in value of debt derivatives in Q3 improved debt leverage ratio by 0.2x



Guidance update

2019 Guidance

Revenue

Adjusted EBITDA

Capital Expenditures

Free Cash Flow

Initial

3% to 5% increase

7% to 9% increase

\$2,850M to \$3,050M

Increase of \$200M to \$300M

Revised

Decrease of 1% to increase of 1%

3% to 5% increase

\$2,750M to \$2,850M

Increase of \$100M to \$200M

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Revised guidance reflects faster-than-expected adoption of our new Rogers Infinite unlimited data plans driving lower overage revenue, as well as lower Wireless equipment revenue.

For further information, please see the “Financial Guidance” section of our Third Quarter 2019 MD&A



Q3 2019 Results

Q&A

