

Q4 2018 Results

January 24, 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 January 24, 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' 2017 Annual Report, and Rogers' Fourth Quarter 2018 Press Release (which was issued on January 24, 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.

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.



Delivered another strong quarter in Q4

Consolidated

+6%
Total revenue

(\$M)

3,731

Q4'17

3,938

Q4'18

+6%
Adjusted EBITDA

(\$M)

1,436

Q4'17

1,521

Q4'18



Executing on Wireless fundamentals

- 25 bps
Postpaid churn



+2%
Blended ARPU



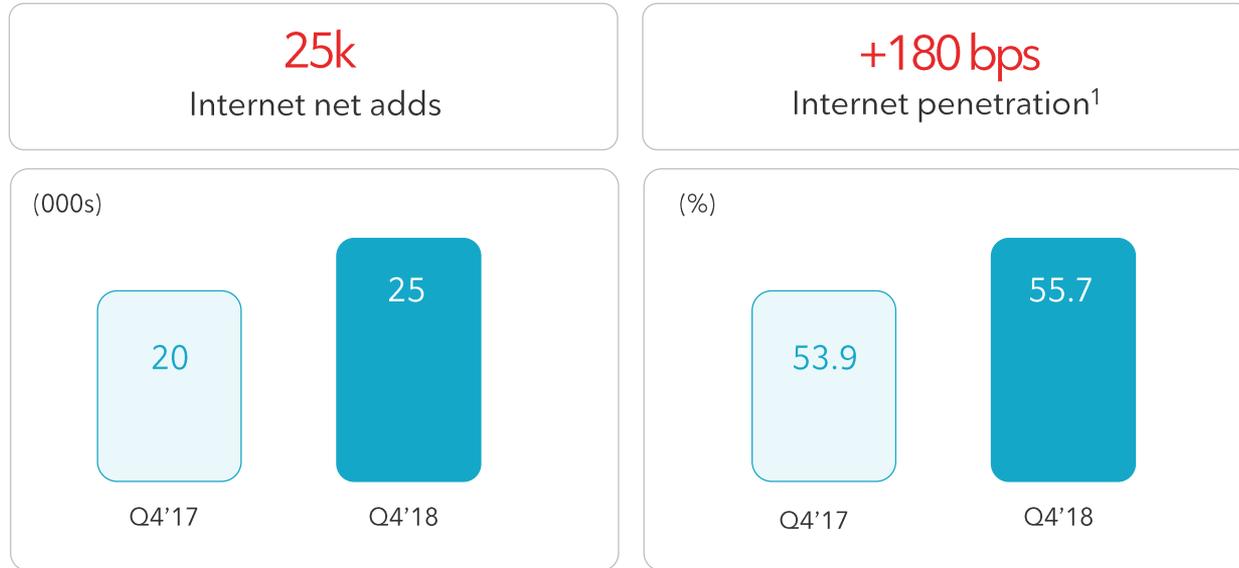
112k
Postpaid net adds



- Best Q4 postpaid net adds and lowest Q4 postpaid churn in nearly a decade



Driving growth in Cable through Internet

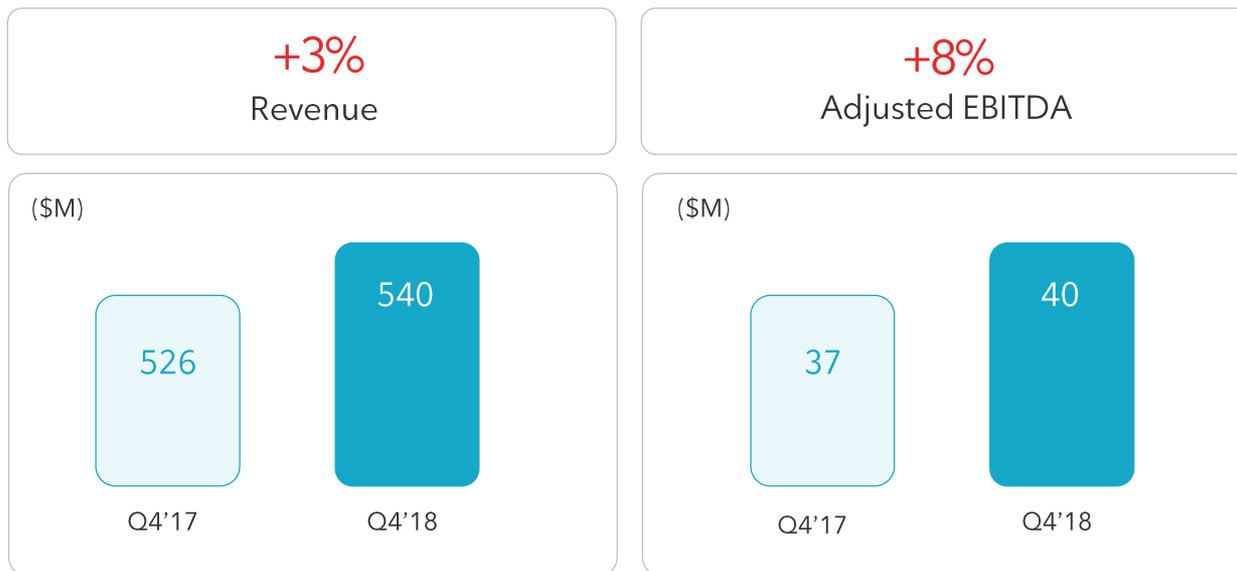


- Steady performance during an intensely competitive fourth quarter
- Ability to offer Ignite Gigabit Internet over entire cable footprint continues to be our competitive advantage

1. Internet penetration calculated as Internet subscribers divided by homes passed



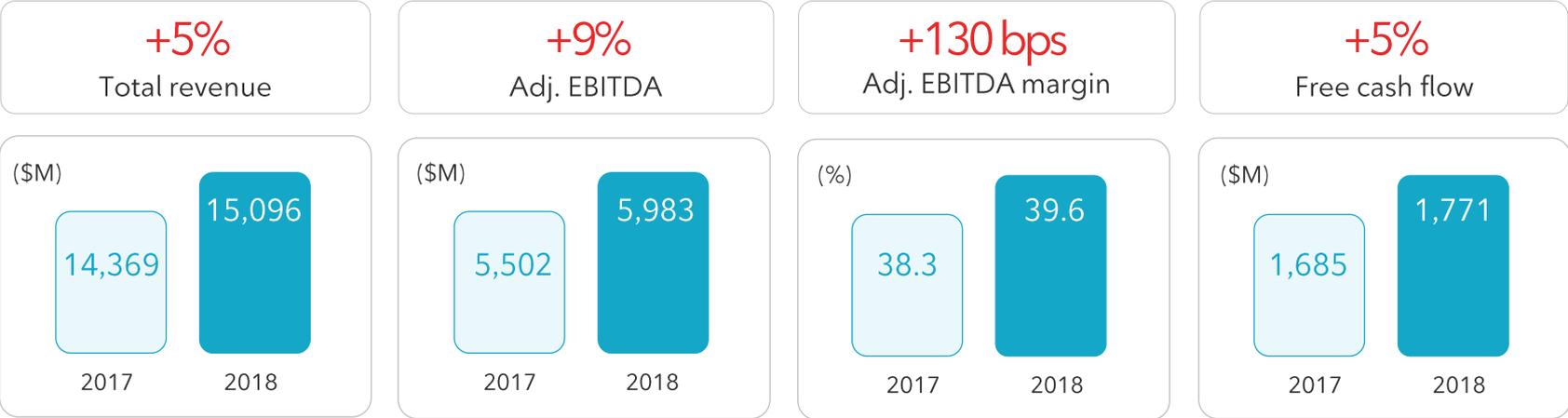
Focusing Media on sports and local content



Excellent 2018 performance

- Continued strong growth in revenue, adjusted EBITDA, margins and free cash flow
- Delivered strong short-term results while making strategic long-term investments

Consolidated





Customer-first mindset



BEST

Q4 postpaid
churn in **9 years**



Reduced
customer calls



Increased
digital adoption



5G leadership in Canada

Working with Ericsson to
bring Canadians the very
best 5G has to offer

Strategic partnership with
UBC to build and test a
real-world 5G hub



Winning formula

World-class Internet service

- Download speeds of up to 1 gigabit per second available across entire cable footprint
- Success-based investment future-proofed with DOCSIS technology

IPTV service

- Strategic rollout of Ignite TV - available to entire Ontario cable footprint
- Innovative, robust Connected Home roadmap

Ignite TV



Netflix + YouTube
integration



Voice
command



Cloud PVR



Integrated
sports app



High performance culture



Building a formidable, high performance culture



Recognized as one of Canada's **Top 100 Employers**



Achieved best-in-class employee engagement score of **82%**



Momentum in 2019

2019 outlook reflects continued expected growth

Focused on growing the fundamentals – sustainable growth in revenue, margins and free cash flow

Healthy macroeconomic conditions in the markets we serve

Consumer and business demand for data continues to grow



Focused on our six strategic priorities



Create **best-in-class customer experience** by putting our customers first in everything we do



Invest in our networks and technology to deliver **leading performance and reliability**



Deliver **innovative solutions** and **compelling content** that our customers will love



Drive **profitable growth** in all the markets we serve



Develop **our people** and a **high performance culture**



Be a **strong, socially responsible leader** in our communities across Canada



Financial performance



Q4 consolidated results

+6%
Total revenue

+6%
Adjusted EBITDA

+10 bps
Adj. EBITDA margin

(\$M)



(\$M)



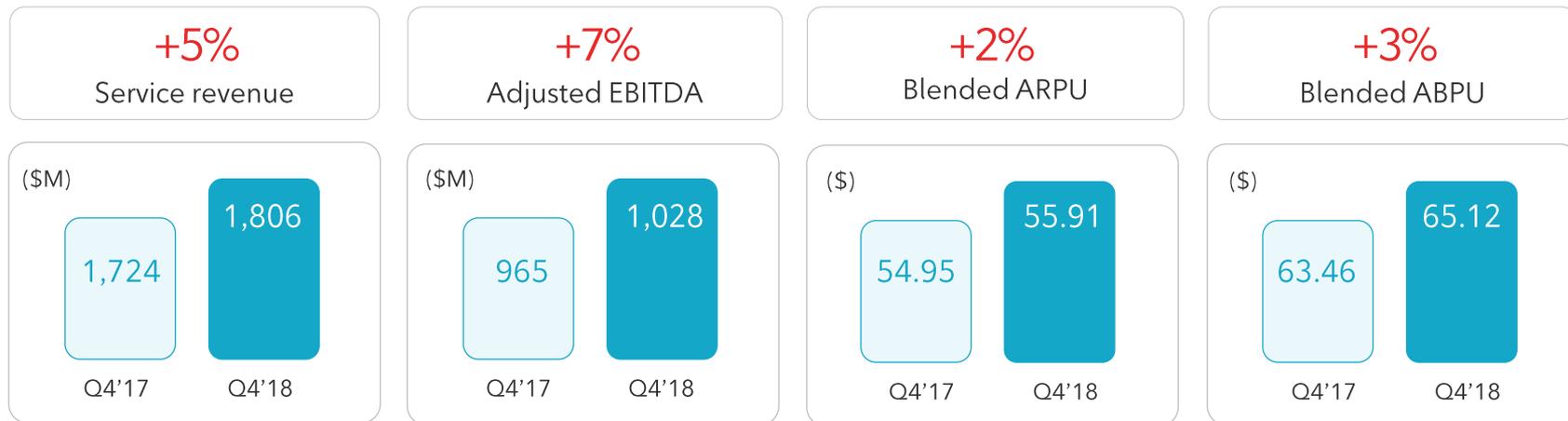
(%)



- Q4 and full-year 2018 continued strong revenue and adjusted EBITDA growth
- Solid traction on cost reduction. Overachieved goal of 100-200 bps margin expansion over two years



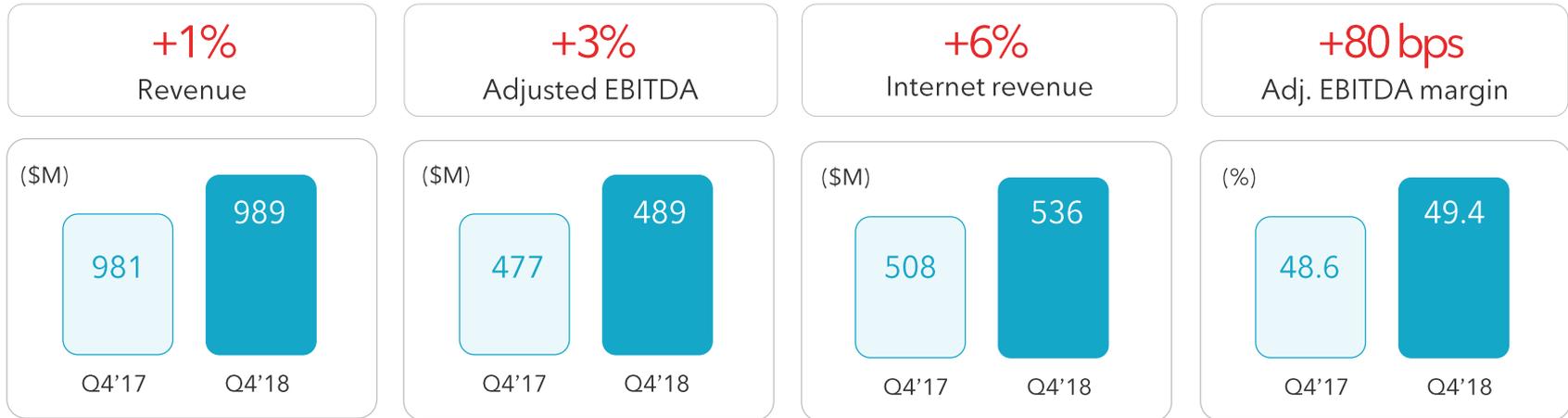
Q4 Wireless results



- Strong revenue and adjusted EBITDA growth delivered in the fourth quarter
- Achieved 2018 goal of blended ARPU growth of 2%-4% and blended ABPU growth of 3%-5%



Q4 Cable results



- Internet continues to be the growth driver and remains an anchor for our Cable business
- Adjusted EBITDA margin expansion due to combination of cost efficiencies and product mix shift



Q4 Media results



- Revenue growth as a result of higher advertising and sports-related revenue
- Adjusted EBITDA growth driven by our continued focus on cost efficiencies



Q4 & 2018 financial performance

	Q4'18	%Chg	2018	%Chg
Net income	502	1	2,059	12
Adjusted net income	585	11	2,241	18
Adjusted diluted EPS	\$1.13	11	\$4.34	18
Capital expenditures, net	828	(2)	2,790	15
Capital intensity	21.0%	(1.5 pts)	18.5%	1.5 pts
Free cash flow	275	20	1,771	5

In millions of dollars, except percentages and per share amounts

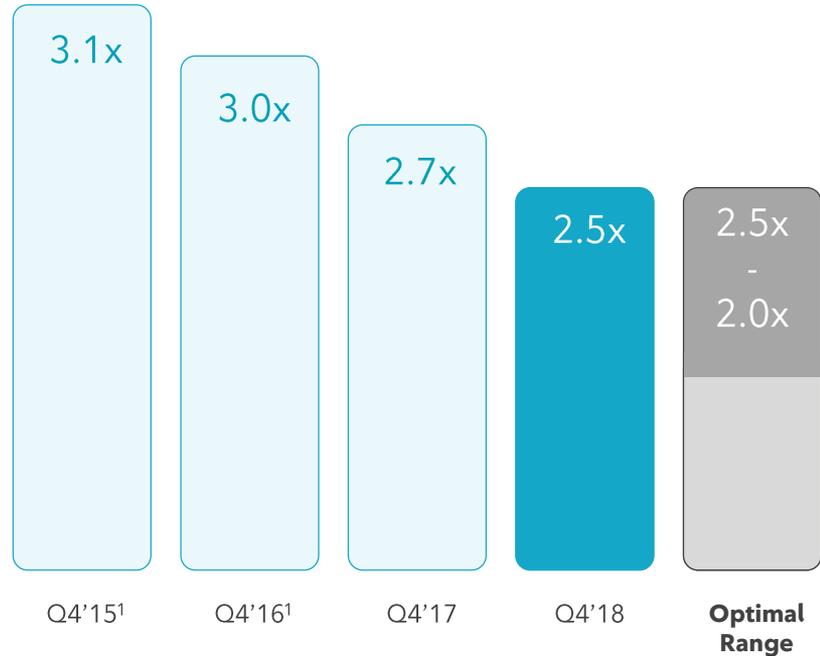
Full-year free cash flow growth in line with guidance.

Efficiently investing in our wireless networks as we prepare for 5G

Cable investments in Ignite TV integration and advancing node segmentation to realize economies of scale



Enhancing financial flexibility



2.5x
Debt Leverage Ratio

Strong adjusted EBITDA contributed to cash provided by operating activities of \$1.05 billion in the fourth quarter of 2018

At the high-end of our optimal debt leverage ratio range of 2.0x - 2.5x

Investment-grade balance sheet remains healthy with total available liquidity of \$2.4 billion

1. As reported prior to the adoption of IFRS 15



2019 guidance

	2018 Results	2019 Guidance
Revenue	5% increase	3% - 5% increase
Adjusted EBITDA	9% increase	7% - 9% increase
Capital expenditures	2,790	2,850 - 3,050
Free cash flow	2,134 ¹	200 - 300 increase

(In millions of dollars, except percentages)

1. Effective January 1, 2019, we will amend our definition of free cash flow. Free cash flow presented above reflects this change. For further information, please see "2019 Outlook" in our Fourth Quarter 2018 Press Release



Q&A

