



Q4 2021 Results

January 27, 2022



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 27, 2022. 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' 2020 Annual Report and Rogers' Fourth Quarter 2021 press release (which was issued on January 27, 2022), 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 financial measures and other specified financial measures (as described below) that are not standardized under IFRS and might not be comparable to similar financial measures disclosed by other companies. See "Non-GAAP and Other Financial Measures" for more information about these measures.

¹ Adjusted EBITDA is a total of segments measure.

² Free cash flow, available liquidity, and debt leverage ratio are capital management measures.

³ Blended ARPU, adjusted EBITDA margin, and capital intensity are supplementary financial measures.

⁴ Adjusted diluted earnings per share is a non-GAAP ratio. Adjusted net income is a component of adjusted diluted earnings per share and is a non-GAAP measure.

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

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Tony Staffieri

President and CEO



2022 Priorities



Successful Closing of Shaw

Transformational transaction to bring next generation services to consumers and businesses

Investing \$2.5B in 5G in Western Canada

\$1B dedicated investment to closing the national connectivity gap between urban and rural communities

National network offering true competition and choice for Canadians



Improved Execution

Deliver world-class connectivity and services and build long-term shareholder value

Leverage our industry leading networks, services and media assets

Strong team with proven ability to drive operational excellence and results



Investment in Networks

Increase investment in our networks

Capitalize on market growth and 5G opportunities

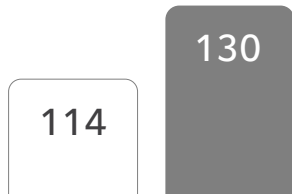
Drive momentum in our cable business through Fixed Wireless & Cable Footprint Expansion

Strong Wireless recovery

130k

Postpaid
net adds

('000s)



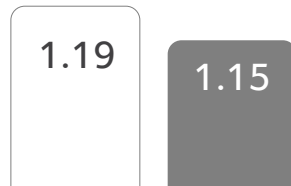
Q4'20

Q4'21

1.15%

Postpaid
churn

(%)



Q4'20

Q4'21



Stable Internet and Cable business

0%

Revenue

(\$M)

1,019

Q4'20

1,023

Q4'21

0%

Adjusted
EBITDA

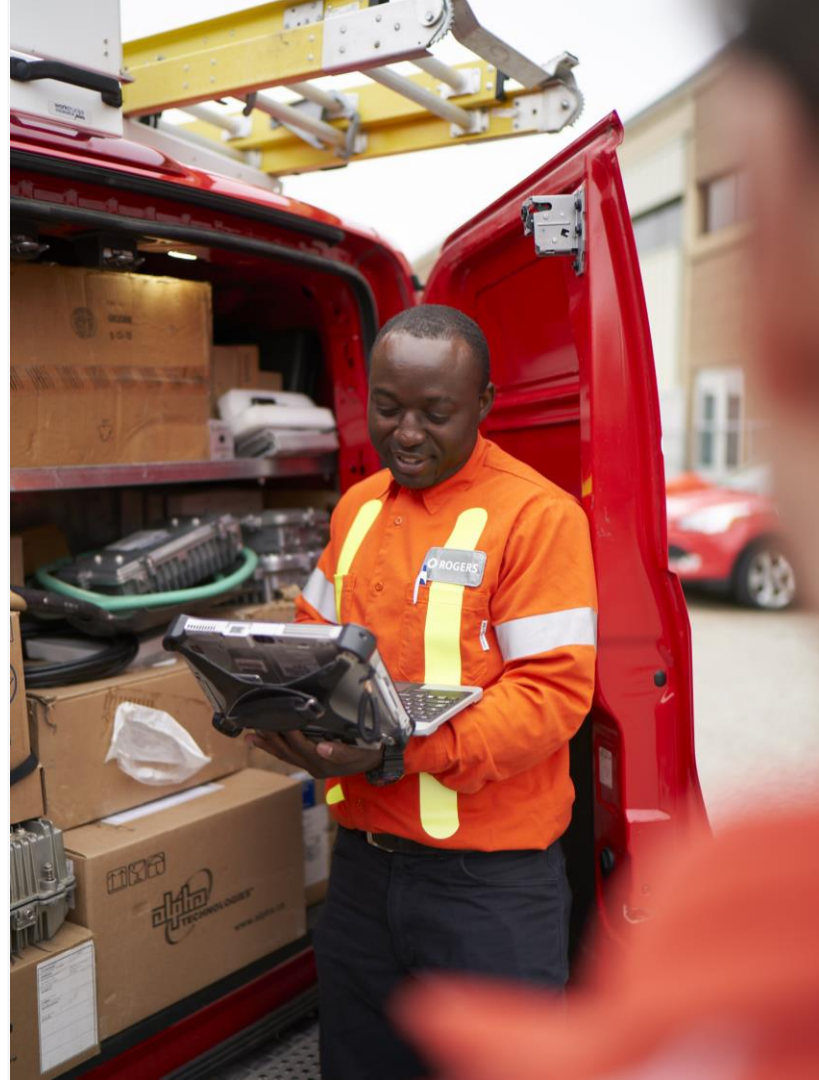
(\$M)

520

Q4'20

518

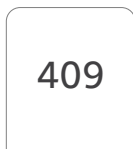
Q4'21



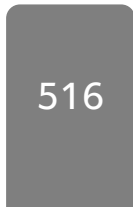
Sports and Media



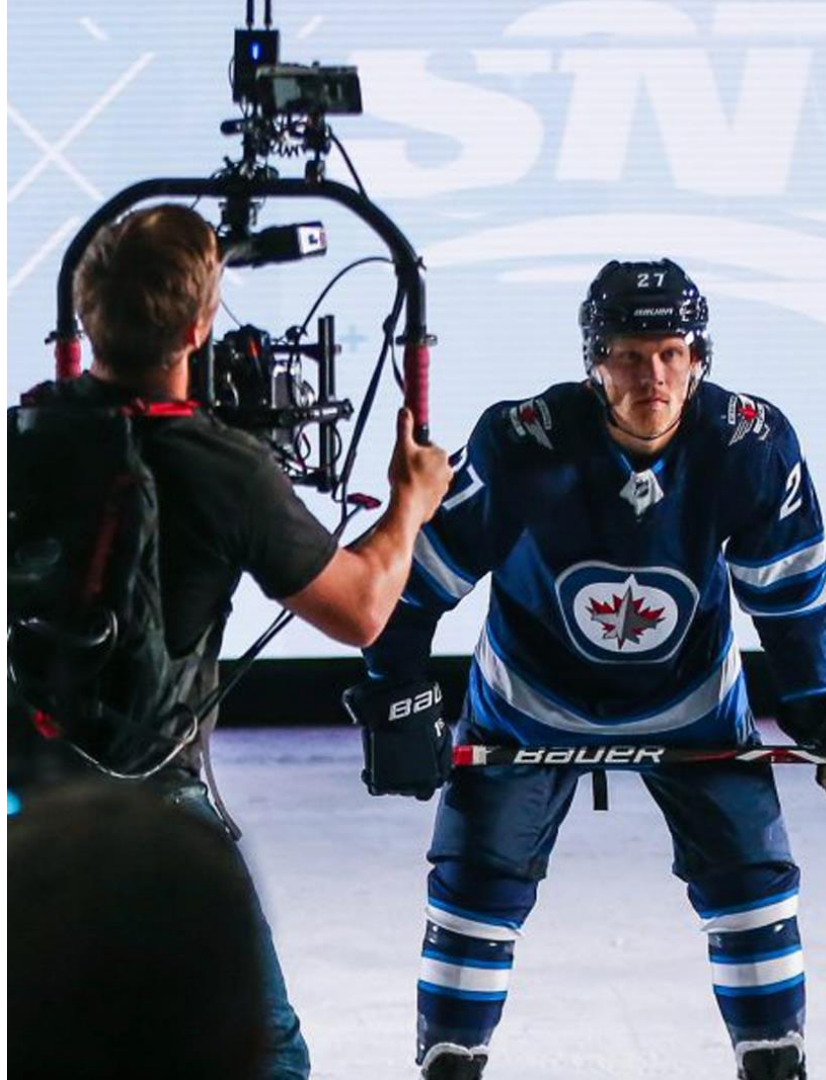
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Q4'20



Q4'21



2022 Guidance

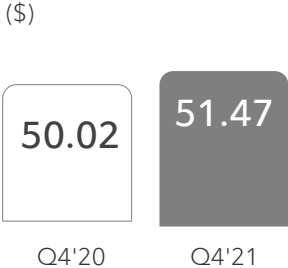
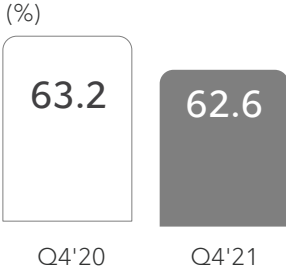
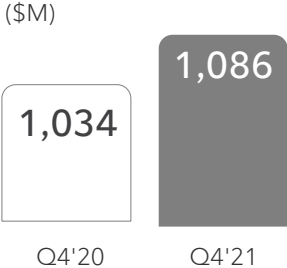
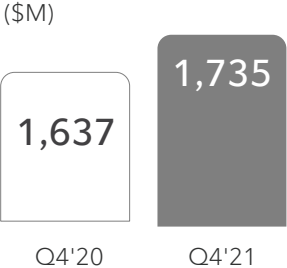
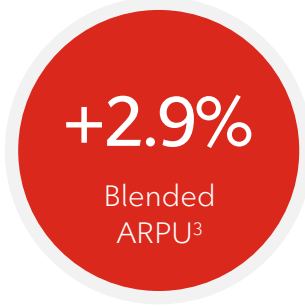
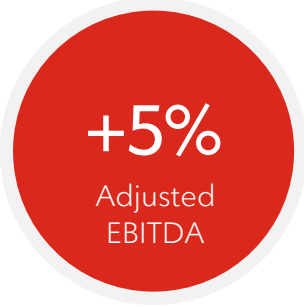
	2021 Results		2022 Guidance
Total service revenue	\$12,533M	+5%	Increase of 4% to 6%
Adjusted EBITDA ¹	\$5,887M	+1%	Increase of 6% to 8%
Capital expenditures	\$2,788M	+21%	\$2,800M to \$3,000M
Free cash flow ²	\$1,671M	-29%	\$1,800M to \$2,000M

Paulina Molnar

Interim CFO

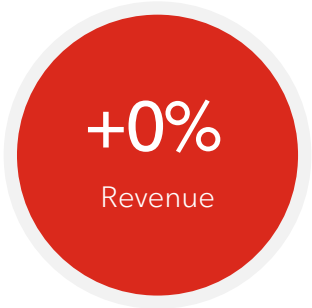


Q4 Wireless results

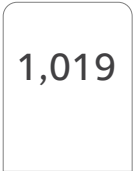


Service revenue up +6% year-on-year from subscriber growth and continued roaming recovery

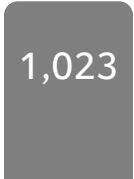
Q4 Cable results



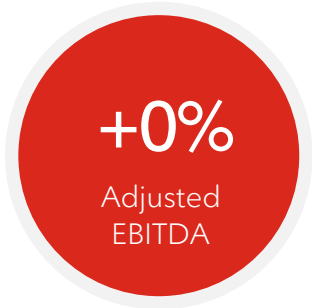
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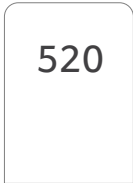
Q4'20



Q4'21



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Q4'20



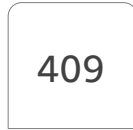
Q4'21

Strong retail broadband net adds of 21k and
Ignite TV net adds of 56k

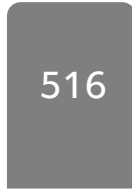
Q4 Media results



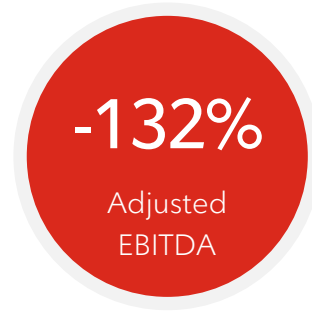
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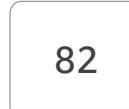
Q4'20



Q4'21



(\$M)



Q4'20



Q4'21

Higher broadcasting and advertising revenue with the resumption of normal sports programming schedules. Adjusted EBITDA remains negative from timing of broadcast rights fees.

Q4 consolidated results

In millions of dollars, except percentages and per share amounts

	Q4'21	% Change
Total service revenue	3,232	7
Adjusted EBITDA	1,522	(4)
Adjusted EBITDA margin ³	38.8%	(4.4 pts)
Net income	405	(10)
Diluted EPS	\$0.80	(10)
Adjusted net income ⁴	486	(3)
Adjusted diluted EPS ⁴	\$0.96	(3)
Capital expenditures	846	29
Capital intensity ³	21.6%	3.8 pts
Free cash flow	468	(18)
Cash provided by operating activities	1,147	21

Total service revenue increase

reflects a larger customer base, higher roaming revenue as travel restrictions ease, growth in high quality mobile-phone subscribers and adoption of higher speed Internet

—

Capital expenditures increase as we commit to investing across Canada to drive 5G and improve the digital divide

—

Free cash flow decline primarily driven by increased capital expenditures

Strong financial position

Investment-grade balance sheet with healthy available liquidity² position of **\$4.2 billion**

Debt leverage ratio² of **3.4x**

Weighted average interest rate of **3.95%** with average term to maturity of **11.6 years**





Appendix

Non-GAAP and other financial measures

Non-GAAP financial measures			
<i>Specified financial measure</i>	<i>How it is useful</i>	<i>How we calculate it</i>	<i>Most directly comparable IFRS financial measure</i>
Adjusted net income	<ul style="list-style-type: none"> To assess the performance of our businesses before the effects of the noted 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 that they are non-recurring. 	Net income add (deduct) restructuring, acquisition and other; loss (recovery) on sale or wind down of investments; loss (gain) on disposition of property, plant and equipment; (gain) on acquisitions; loss on non-controlling interest purchase obligations; loss on repayment of long-term debt; loss on bond forward derivatives; and income tax adjustments on these items, including adjustments as a result of legislative changes.	Net income
Adjusted Wireless service revenue	<ul style="list-style-type: none"> To facilitate the calculation of Wireless blended average billings per user (see Non-GAAP ratios). 	Wireless service revenue add (deduct) amortization of contract assets and contract liabilities to accounts receivable; and financing receivable billings.	Wireless service revenue

Non-GAAP ratios			
<i>Specified financial measure</i>	<i>How it is useful</i>	<i>How we calculate it</i>	
Adjusted basic earnings per share	<ul style="list-style-type: none"> To assess the performance of our businesses before the effects of the noted 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 that they are non-recurring. 	Adjusted net income divided by basic weighted average shares outstanding.	
Adjusted diluted earnings per share		Adjusted net income including the dilutive effect of stock-based compensation divided by diluted weighted average shares outstanding.	

Non-GAAP and other financial measures

Capital management measures	
<i>Specified financial measure</i>	<i>How it is useful</i>
Free cash flow	<ul style="list-style-type: none"> To show how much cash we generate that is available to repay debt and reinvest in our company, which is an important indicator of our financial strength and performance. We believe that some investors and analysts use free cash flow to value a business and its underlying assets.
Adjusted net debt	<ul style="list-style-type: none"> We believe this helps investors and analysts analyze our debt and cash balances while taking into account the impact of debt derivatives on our US dollar-denominated debt.
Debt leverage ratio	<ul style="list-style-type: none"> We believe this helps investors and analysts analyze our ability to service our debt obligations.
Available liquidity	<ul style="list-style-type: none"> To help determine if we are able to meet all of our commitments, to execute our business plan, and to mitigate the risk of economic downturns.

Supplementary financial measures	
<i>Specified financial measure</i>	<i>How we calculate it</i>
Adjusted EBITDA margin	Adjusted EBITDA divided by revenue (or service revenue for Wireless adjusted EBITDA service margin).
Wireless blended average revenue per user (ARPU)	Wireless service revenue divided by average total number of Wireless subscribers for the relevant period.
Capital intensity	Capital expenditures divided by revenue.

Non-GAAP and other financial measures

Reconciliation of adjusted EBITDA

(In millions of dollars)	Three months ended December 31		Twelve months ended December 31	
	2021	2020	2021	2020
Net income	405	449	1,558	1,592
Add:				
Income tax expense	152	172	569	580
Finance costs	218	228	849	881
Depreciation and amortization	658	666	2,585	2,618
EBITDA	1,433	1,515	5,561	5,671
Add (deduct):				
Other (income) expense	(12)	2	2	1
Restructuring, acquisition and other	101	73	324	185
Adjusted EBITDA	1,522	1,590	5,887	5,857

Non-GAAP and other financial measures

Reconciliation of adjusted net income

(In millions of dollars)	Three months ended December 31		Twelve months ended December 31	
	2021	2020	2021	2020
Net income	405	449	1,558	1,592
Add (deduct):				
Restructuring, acquisition and other	101	73	324	185
Income tax impact of above items	(20)	(22)	(79)	(52)
Adjusted net income	486	500	1,803	1,725

Non-GAAP and other financial measures

Reconciliation of free cash flow

(In millions of dollars)	Three months ended		Twelve months ended	
	2021	2020	2021	2020
		December 31		December 31
	2021	2020	2021	2020
Cash provided by operating activities	1,147	947	4,161	4,321
Add (deduct):				
Capital expenditures	(846)	(656)	(2,788)	(2,312)
Interest on borrowings, net of capitalized interest	(183)	(191)	(728)	(761)
Interest paid	231	194	802	808
Restructuring, acquisition and other	101	73	324	185
Program rights amortization	(22)	(23)	(68)	(77)
Change in net operating assets and liabilities	50	265	(37)	333
Other adjustments ¹	(10)	(41)	5	(131)
Free cash flow	468	568	1,671	2,366

¹ Other adjustments consists of post-employment benefit contributions, net of expense, cash flows relating to other operating activities, and other expense (income) from our financial statements.

Non-GAAP and other financial measures

Reconciliation of adjusted net debt

(In millions of dollars)	As at December 31 2021	As at December 31 2020
Current portion of long-term debt	1,551	1,450
Long-term debt	17,137	16,751
Deferred transaction costs and discounts	185	172
	18,873	18,373
Add (deduct):		
Subordinated notes adjustment ¹	(1,000)	–
Net debt derivative assets ²	(1,260)	(1,086)
Credit risk adjustment related to net debt derivative assets ³	(18)	(15)
Short-term borrowings	2,200	1,221
Current portion of lease liabilities	336	278
Lease liabilities	1,621	1,557
Cash and cash equivalents	(715)	(2,484)
Adjusted net debt	20,037	17,844

¹ For the purposes of calculating adjusted net debt, we believe adjusting 50% of the value of our subordinated notes is appropriate as this methodology factors in certain circumstances with respect to priority for payment and this approach is commonly used to evaluate debt leverage by rating agencies.

² Net debt derivative assets consists of the net fair value of our debt derivatives on issued debt accounted for as hedges.

³ For accounting purposes in accordance with IFRS, we recognize the fair values of our debt derivatives using an estimated credit-adjusted mark-to-market valuation by discounting cash flows to measurement date. For purposes of calculating adjusted net debt, we believe including debt derivatives valued without adjustment for credit risk is commonly used to evaluate debt leverage and for market valuation and transactional purposes.

Non-GAAP and other financial measures

Available liquidity

As at December 31, 2021 (In millions of dollars)	Total sources	Drawn	Letters of credit	US CP program ¹	Net available
Cash and cash equivalents	715	–	–	–	715
Bank credit facilities ² :					
Revolving	4,000	–	8	894	3,098
Non-revolving	507	507	–	–	–
Outstanding letters of credit	72	–	72	–	–
Receivables securitization ²	1,200	800	–	–	400
Total	6,494	1,307	80	894	4,213
As at December 31, 2020 (In millions of dollars)	Total sources	Drawn	Letters of credit	US CP program ¹	Net available
Cash and cash equivalents	2,484	–	–	–	2,484
Bank credit facilities ² :					
Revolving	3,200	–	8	573	2,619
Outstanding letters of credit	101	–	101	–	–
Receivables securitization ²	1,200	650	–	–	550
Total	6,985	650	109	573	5,653

¹The US CP program amounts are gross of the discount on issuance.

²The total liquidity sources under our bank credit facilities and receivables securitization represents the total credit limits per the relevant agreements. The amount drawn and letters of credit are currently outstanding under those agreements. The US CP program amount represents our currently outstanding US CP borrowings that are backstopped by our revolving credit facility.