

Supplemental Financial Information

First Quarter 2018

TSX: RCI | NYSE: RCI



Rogers Communications Inc.
Consolidated Financial Results
(unaudited)

	2018	2017 ¹				
(In millions of dollars, except per share amounts)	Q1'18	Annual	Q4'17	Q3'17	Q2'17	Q1'17
Revenue						
Wireless	2,191	8,569	2,288	2,203	2,076	2,002
Cable ²	969	3,894	981	977	976	960
Media	532	2,153	526	516	637	474
Corporate items and intercompany eliminations ²	(59)	(247)	(64)	(50)	(69)	(64)
Revenue	3,633	14,369	3,731	3,646	3,620	3,372
Total service revenue ³	3,127	12,550	3,164	3,196	3,221	2,969
Adjusted EBITDA ⁴						
Wireless	934	3,726	965	1,017	915	829
Cable ²	433	1,819	477	471	455	416
Media	23	127	37	61	59	(30)
Corporate items and intercompany eliminations ²	(52)	(170)	(43)	(46)	(40)	(41)
Adjusted EBITDA	1,338	5,502	1,436	1,503	1,389	1,174
Deduct (add):						
Depreciation and amortization	544	2,142	531	531	535	545
Gain on disposition of property, plant and equipment	(11)	(49)	—	—	(49)	—
Restructuring, acquisition and other	43	152	31	59	34	28
Finance costs	219	746	184	183	189	190
Other (income) expense	(23)	(19)	3	20	(31)	(11)
Net income before income tax expense	566	2,530	687	710	711	422
Income tax expense	141	685	188	202	183	112
Net income	425	1,845	499	508	528	310
Earnings per share:						
Basic	\$0.83	\$3.58	\$0.97	\$0.99	\$1.03	\$0.60
Diluted	\$0.80	\$3.57	\$0.97	\$0.98	\$1.02	\$0.60
Net income	425	1,845	499	508	528	310
Add (deduct):						
Restructuring, acquisition and other	43	152	31	59	34	28
Loss on repayment of long-term debt	28	—	—	—	—	—
Recovery on wind down of shomi	—	(20)	—	—	(20)	—
Gain on disposition of property, plant and equipment	(11)	(49)	—	—	(49)	—
Income tax impact of above items	(8)	(28)	(7)	(16)	3	(8)
Income tax adjustment, legislative tax change	—	2	2	—	—	—
Adjusted net income ⁴	477	1,902	525	551	496	330
Adjusted earnings per share ⁴ :						
Basic	\$0.93	\$3.69	\$1.02	\$1.07	\$0.96	\$0.64
Diluted	\$0.90	\$3.68	\$1.02	\$1.07	\$0.96	\$0.64

¹ 2017 reported figures have been restated applying the new revenue recognition standard, IFRS 15. See "Critical Accounting Policies and Estimates" in our Q1 2018 MD&A.

² Effective January 1, 2018 and on a retrospective basis, we realigned our reportable segments and related financial results. As a result, certain figures have been retrospectively amended. See "Reportable Segments" in our Q1 2018 MD&A.

³ See "Key Performance Indicators".

⁴ Adjusted EBITDA, adjusted net income, and adjusted basic and diluted earnings per share are non-GAAP measures and should not be considered substitutes or alternatives for GAAP measures. These are not defined terms under IFRS and do not have standard meanings, so may not be a reliable way to compare us to other companies. These measures have been retrospectively amended to incorporate stock-based compensation when comparing to previously reported figures. See "Reportable Segments" in our Q1 2018 MD&A and "Non-GAAP Measures".

Rogers Communications Inc.
Additional Information
(unaudited)

(In millions of dollars, except capital intensity and per share amounts)	2018 Q1'18	2017 ¹ Annual	Q4'17	Q3'17	Q2'17	Q1'17
Capital expenditures						
Wireless	260	806	269	219	158	160
Cable ²	297	1,334	430	353	285	266
Media	15	83	39	18	13	13
Corporate ²	48	287	103	68	69	47
Capital expenditures before proceeds on disposition	620	2,510	841	658	525	486
Proceeds on disposition	(15)	(74)	—	—	(74)	—
Capital expenditures ³	605	2,436	841	658	451	486
Capital intensity ⁴						
Wireless	11.9%	9.4%	11.8%	9.9%	7.6%	8.0%
Cable ²	30.7%	34.3%	43.8%	36.2%	29.2%	27.7%
Media	2.8%	3.9%	7.4%	3.5%	2.0%	2.7%
Consolidated ²	16.7%	17.0%	22.5%	18.0%	12.5%	14.4%
Adjusted EBITDA ⁵	1,338	5,502	1,436	1,503	1,389	1,174
Deduct (add):						
Capital expenditures	605	2,436	841	658	451	486
Interest on borrowings, net of capitalized interest	182	722	179	180	181	182
Net change in contract asset and deferred commission cost asset balances	57	184	110	55	(2)	21
Cash income taxes paid	110	475	76	87	152	160
Free cash flow ⁵	384	1,685	230	523	607	325
Dividends declared	247	988	247	247	247	247
Dividends per share	\$0.48	\$1.92	\$0.48	\$0.48	\$0.48	\$0.48

¹ 2017 reported figures have been restated applying the new revenue recognition standard, IFRS 15. See "Critical Accounting Policies and Estimates" in our Q1 2018 MD&A.

² Effective January 1, 2018 and on a retrospective basis, we realigned our reportable segments and related financial results. As a result, some figures have been retrospectively amended. See "Reportable Segments" in our Q1 2018 MD&A.

³ Includes additions to property, plant and equipment net of proceeds on disposition, but does not include expenditures for spectrum licences

⁴ See "Key Performance Indicators".

⁵ Adjusted EBITDA and free cash flow are non-GAAP measures and should not be considered substitutes or alternatives for GAAP measures. These are not defined terms under IFRS and do not have standard meanings, so may not be a reliable way to compare us to other companies. See "Non-GAAP Measures" for information about these measures, including how we calculate them.

Rogers Communications Inc.
Free Cash Flow
(unaudited)

(In millions of dollars)	2018	2017 ¹				
	Q1'18	Annual	Q4'17	Q3'17	Q2'17	Q1'17
Cash provided by operating activities	885	3,938	1,142	1,377	823	596
Add (deduct):						
Capital expenditures	(605)	(2,436)	(841)	(658)	(451)	(486)
Interest on borrowings, net of capitalized interest	(182)	(722)	(179)	(180)	(181)	(182)
Restructuring, acquisition and other	43	152	31	59	34	28
Interest paid	238	735	125	239	133	238
Change in non-cash operating working capital items	21	164	17	(251)	223	175
Other adjustments	(16)	(146)	(65)	(63)	26	(44)
Free cash flow ²	384	1,685	230	523	607	325

¹ 2017 free cash flow has been retrospectively amended to include stock-based compensation. See "Reportable Segments" in our Q1 2018 MD&A.

² Free cash flow is a non-GAAP measure and should not be considered a substitute or alternative for GAAP measures. It is not a defined term under IFRS and does not have a standard meaning, so may not be a reliable way to compare us to other companies. See "Non-GAAP Measures" for information about this measure, including how we calculate it.

Rogers Communications Inc.
Adjusted Net Debt
(unaudited)

(In millions of dollars, except ratios)	2018	2017	Q3'17	Q2'17	Q1'17
	Q1'18	Q4'17			
Current portion of long-term debt	2,205	1,756	1,747	—	500
Long-term debt	13,432	12,692	12,655	14,927	15,434
Deferred transaction costs and discounts	120	107	110	114	117
	15,757	14,555	14,512	15,041	16,051
Add (deduct):					
Net debt derivative assets	(1,200)	(1,129)	(1,196)	(1,378)	(1,555)
Credit risk adjustment related to net debt derivative assets	(19)	(17)	(22)	(31)	(41)
Short-term borrowings	747	1,585	1,738	1,988	1,136
Bank advances	49	6	35	74	49
Adjusted net debt ¹	15,334	15,000	15,067	15,694	15,640
Divided by: trailing 12-month adjusted EBITDA ²	5,666	5,502	n/a	n/a	n/a
Debt leverage ratio ^{1,2}	2.7	2.7	n/a	n/a	n/a

n/a - not applicable

¹ Adjusted net debt and debt leverage ratio are non-GAAP measures and should not be considered substitutes or alternatives for GAAP measures. These are not defined terms under IFRS and do not have standard meanings, so may not be a reliable way to compare us to other companies. See "Non-GAAP Measures" for information about these measures, including how we calculate them.

² We have not restated metrics prior to January 1, 2017 in accordance with IFRS 15. As a result, trailing 12-month adjusted EBITDA and debt leverage ratio have not been restated prior to Q4 2017.

Rogers Communications Inc.
Consolidated Statements of Financial Position
(unaudited)

	2018	2017 ¹			
(In millions of dollars)	Q1'18	Q4'17	Q3'17	Q2'17	Q1'17
ASSETS					
Current assets:					
Accounts receivable	1,900	2,035	1,807	1,875	1,731
Inventories	356	435	349	412	433
Current portion of contract assets	861	820	776	752	735
Other current assets	435	414	450	496	528
Current portion of derivative instruments	442	421	423	101	118
Total current assets	3,994	4,125	3,805	3,636	3,545
Property, plant and equipment	11,227	11,143	10,821	10,678	10,704
Intangible assets	7,222	7,244	7,270	7,290	7,111
Investments	2,277	2,561	2,569	2,385	2,243
Derivative instruments	972	953	988	1,484	1,605
Contract assets	441	413	362	354	366
Other long-term assets	135	143	146	145	151
Deferred tax assets	3	3	6	7	7
Goodwill	3,905	3,905	3,905	3,905	3,905
Total assets	30,176	30,490	29,872	29,884	29,637
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities:					
Bank advances	49	6	35	74	49
Short-term borrowings	747	1,585	1,738	1,988	1,136
Accounts payable and accrued liabilities	2,516	2,931	2,589	2,364	2,345
Income tax payable	147	62	95	105	134
Other current liabilities	110	132	122	194	248
Current portion of contract liabilities	329	278	207	301	385
Current portion of long-term debt	2,205	1,756	1,747	—	500
Current portion of derivative instruments	85	133	84	107	26
Total current liabilities	6,188	6,883	6,617	5,133	4,823
Provisions	36	35	33	33	33
Long-term debt	13,432	12,692	12,655	14,927	15,434
Derivative instruments	136	147	160	153	154
Other long-term liabilities	599	613	540	490	541
Deferred tax liabilities	2,517	2,624	2,508	2,350	2,279
Total liabilities	22,908	22,994	22,513	23,086	23,264
Shareholders' equity	7,268	7,496	7,359	6,798	6,373
Total liabilities and shareholders' equity	30,176	30,490	29,872	29,884	29,637

¹ 2017 reported figures have been restated applying the new revenue recognition standard, IFRS 15. See "Critical Accounting Policies and Estimates" in our Q1 2018 MD&A.

Rogers Communications Inc.
Consolidated Statements of Cash Flows
(unaudited)

	2018	2017 ¹				
(In millions of dollars)	Q1'18	Annual	Q4'17	Q3'17	Q2'17	Q1'17
Cash provided by (used in):						
Operating activities:						
Net income for the period	425	1,845	499	508	528	310
Adjustments to reconcile net income to cash provided by operating activities:						
Depreciation and amortization	544	2,142	531	531	535	545
Program rights amortization	14	64	15	13	16	20
Finance costs	219	746	184	183	189	190
Income tax expense	141	685	188	202	183	112
Post-employment benefits contributions, net of expense	17	4	28	35	(65)	6
Gain on disposition of property, plant and equipment	(11)	(49)	—	—	(49)	—
Recovery on wind down of shomi	—	(20)	—	—	(20)	—
Net change in contract asset balances	(69)	(156)	(95)	(32)	(5)	(24)
Other	(26)	51	10	12	19	10
	1,254	5,312	1,360	1,452	1,331	1,169
Change in non-cash operating working capital items	(21)	(164)	(17)	251	(223)	(175)
	1,233	5,148	1,343	1,703	1,108	994
Income taxes paid	(110)	(475)	(76)	(87)	(152)	(160)
Interest paid	(238)	(735)	(125)	(239)	(133)	(238)
Cash provided by operating activities	885	3,938	1,142	1,377	823	596
Investing activities:						
Capital expenditures	(605)	(2,436)	(841)	(658)	(451)	(486)
Additions to program rights	(6)	(59)	(21)	(5)	(19)	(14)
Changes in non-cash working capital related to capital expenditures and intangible assets	(138)	109	101	96	(7)	(81)
Acquisitions and other strategic transactions, net of cash acquired	—	(184)	—	—	(184)	—
Other	10	(60)	21	(29)	(26)	(26)
Cash used in investing activities	(739)	(2,630)	(740)	(596)	(687)	(607)
Financing activities:						
Net (repayment) proceeds received on short-term borrowings	(848)	858	(163)	(204)	889	336
Net issuance (repayment) of long-term debt	938	(1,034)	(3)	(183)	(795)	(53)
Net (payments) proceeds on settlement of debt derivatives and forward contracts	(16)	(79)	40	(108)	(8)	(3)
Transaction costs incurred	(16)	—	—	—	—	—
Dividends paid	(247)	(988)	(247)	(247)	(247)	(247)
Cash (used in) provided by financing activities	(189)	(1,243)	(373)	(742)	(161)	33
Change in cash and cash equivalents	(43)	65	29	39	(25)	22
Bank advances, beginning of period	(6)	(71)	(35)	(74)	(49)	(71)
Bank advances, end of period	(49)	(6)	(6)	(35)	(74)	(49)

¹ 2017 reported figures have been restated applying the new revenue recognition standard, IFRS 15. See "Critical Accounting Policies and Estimates" in our Q1 2018 MD&A.

Rogers Communications Inc.
Wireless
(unaudited)

	2018	2017 ¹				
(In millions of dollars, except margins)	Q1'18	Annual	Q4'17	Q3'17	Q2'17	Q1'17
Revenue						
Service revenue	1,687	6,765	1,724	1,757	1,680	1,604
Equipment revenue	504	1,804	564	446	396	398
Revenue	2,191	8,569	2,288	2,203	2,076	2,002
Operating expenses						
Cost of equipment	561	2,002	622	482	451	447
Other operating expenses ²	696	2,841	701	704	710	726
Operating expenses	1,257	4,843	1,323	1,186	1,161	1,173
Adjusted EBITDA	934	3,726	965	1,017	915	829
Adjusted EBITDA margin	42.6%	43.5%	42.2%	46.2%	44.1%	41.4%
Capital expenditures	260	806	269	219	158	160

Wireless Subscriber Results ³

(In thousands, except churn, and blended ARPU)

Postpaid						
Gross additions	377	1,599	456	434	366	343
Net additions	95	354	72	129	93	60
Total postpaid subscribers ⁴	8,799	8,704	8,704	8,839	8,710	8,617
Churn (monthly)	1.08%	1.20%	1.48%	1.16%	1.05%	1.10%
Prepaid						
Gross additions	163	782	165	254	213	150
Net (losses) additions	(60)	61	(8)	97	14	(42)
Total prepaid subscribers ⁴	1,718	1,778	1,778	1,786	1,689	1,675
Churn (monthly)	4.24%	3.48%	3.22%	3.04%	3.96%	3.74%
Blended ARPU (monthly)	\$53.68	\$54.23	\$54.95	\$55.81	\$54.21	\$52.03

¹ 2017 reported figures have been restated applying the new revenue recognition standard, IFRS 15. See "Critical Accounting Policies and Estimates" in our Q1 2018 MD&A.

² Other operating expenses have been retrospectively amended to include stock-based compensation. See "Reportable Segments" in our Q1 2018 MD&A.

³ Subscriber counts, subscriber churn, and blended ARPU are key performance indicators. See "Key Performance Indicators".

⁴ As at end of period.

Rogers Communications Inc.
Cable
(unaudited)

(In millions of dollars, except margins)	2018 Q1'18	2017 ¹ Annual	Q4'17	Q3'17	Q2'17	Q1'17
Revenue						
Internet	506	1,967	508	495	490	474
Television	365	1,501	372	377	377	375
Phone	96	411	98	101	106	106
Service revenue	967	3,879	978	973	973	955
Equipment revenue	2	15	3	4	3	5
Revenue	969	3,894	981	977	976	960
Operating expenses						
Cost of equipment	5	20	5	5	6	4
Other operating expenses ²	531	2,055	499	501	515	540
Operating expenses	536	2,075	504	506	521	544
Adjusted EBITDA	433	1,819	477	471	455	416
Adjusted EBITDA margin	44.7%	46.7%	48.6%	48.2%	46.6%	43.3%
Capital expenditures	297	1,334	430	353	285	266
Subscriber Results³						
(In thousands)						
Internet ⁵						
Net additions	26	95	20	29	13	33
Total Internet subscribers ⁴	2,347	2,321	2,321	2,301	2,272	2,259
Television						
Net losses	(12)	(80)	(13)	(18)	(25)	(24)
Total Television subscribers ⁴	1,728	1,740	1,740	1,753	1,771	1,796
Phone						
Net additions	9	14	9	1	2	2
Total Phone subscribers ⁴	1,117	1,108	1,108	1,099	1,098	1,096
Homes passed ⁴	4,327	4,307	4,307	4,288	4,269	4,255
Total service units ⁶						
Net additions (losses)	23	29	16	12	(10)	11
Total service units ⁴	5,192	5,169	5,169	5,153	5,141	5,151

¹ Effective January 1, 2018 and on a retrospective basis, we realigned our reportable segments and related financial results. See "Reportable Segments" in our Q1 2018 MD&A.

² Other operating expenses have been retrospectively amended to include stock-based compensation. See "Reportable Segments" in our Q1 2018 MD&A.

³ Subscriber counts are key performance indicators. See "Key Performance Indicators".

⁴ As at end of period.

⁵ Effective January 1, 2018, and on a retrospective basis, our Internet subscriber results include Smart Home Monitoring subscribers.

⁶ Includes Internet, Television, and Phone subscribers.

Rogers Communications Inc.
Media
(unaudited)

(In millions of dollars, except margins)	2018	2017				
	Q1'18	Annual	Q4'17	Q3'17	Q2'17	Q1'17
Revenue	532	2,153	526	516	637	474
Operating expenses ¹	509	2,026	489	455	578	504
Adjusted EBITDA	23	127	37	61	59	(30)
Adjusted EBITDA margin	4.3%	5.9%	7.0%	11.8%	9.3%	(6.3%)
Capital expenditures	15	83	39	18	13	13

¹ Operating expenses have been retrospectively amended to include stock-based compensation. See "Reportable Segments" in our Q1 2018 MD&A.

Key Performance Indicators

We measure the success of our strategy using a number of key performance indicators that are defined and discussed in our 2017 Annual MD&A and our Q1 2018 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. The following key performance indicators are not measurements in accordance with IFRS and should not be considered as an alternative to net income or any other measure of performance under IFRS. They include:

- subscriber counts;
 - Wireless;
 - Cable;
 - homes passed (Cable);and
- subscriber churn (churn);
- blended average billings per user (ABPU);
- blended average revenue per user (ARPU);
- capital intensity; and
- total service revenue.

Non-GAAP Measures

We use the following non-GAAP measures. These are reviewed regularly by management and our Board of Directors in assessing our performance and making decisions regarding the ongoing operations of our business and its ability to generate cash flows. Some or all of these measures may also be used by investors, lending institutions, and credit rating agencies as indicators of our operating performance, of our ability to incur and service debt, and as measurements to value companies in the telecommunications sector. These are not recognized measures under GAAP and do not have standard meanings under IFRS, so may not be reliable ways to compare us to other companies.

Non-GAAP measure	Why we use it	How we calculate it	Most comparable IFRS financial measure
Adjusted EBITDA Adjusted EBITDA margin	<ul style="list-style-type: none"> To evaluate the performance of our businesses, and when making decisions about the ongoing operations of the business and our ability to generate cash flows. We believe that certain investors and analysts use adjusted EBITDA to measure our ability to service debt and to meet other payment obligations. We also use it as one component in determining short-term incentive compensation for all management employees. 	<p>Adjusted EBITDA: Net income add (deduct) income tax expense (recovery); finance costs; depreciation and amortization; other expense (income); restructuring, acquisition and other; and loss (gain) on disposition of property, plant and equipment.</p> <p>Adjusted EBITDA margin: Adjusted EBITDA divided by revenue.</p>	Net income
Adjusted net income Adjusted basic and diluted 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. 	<p>Adjusted net income: 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; and income tax adjustments on these items, including adjustments as a result of legislative changes.</p> <p>Adjusted basic and diluted earnings per share: Adjusted net income divided by basic and diluted weighted average shares outstanding.</p>	Net income Basic and diluted earnings per share
Free cash flow	<ul style="list-style-type: none"> To show how much cash we have 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 EBITDA deduct capital expenditures; interest on borrowings net of capitalized interest; net change in contract asset and deferred commission cost asset balances; and cash income taxes.	Cash provided by operating activities
Adjusted net debt	<ul style="list-style-type: none"> To conduct valuation-related analysis and make decisions about capital structure. We believe this helps investors and analysts analyze our enterprise and equity value and assess our leverage. 	Total long-term debt add (deduct) current portion of long-term debt; deferred transaction costs and discounts; net debt derivative (assets) liabilities; credit risk adjustment related to net debt derivatives; bank advances (cash and cash equivalents); and short-term borrowings.	Long-term debt
Adjusted net debt / adjusted EBITDA (debt leverage ratio)	<ul style="list-style-type: none"> To conduct valuation-related analysis and make decisions about capital structure. We believe this helps investors and analysts analyze our enterprise and equity value and assess our leverage. 	Adjusted net debt (defined above) divided by 12-month trailing adjusted EBITDA (defined above).	Long-term debt divided by net income