



Supplemental  
Financial  
Information  
Fourth Quarter 2020

TSX: RCI | NYSE: RCI

 **ROGERS**<sup>™</sup>

**Rogers Communications Inc.**  
**Consolidated Financial Results**  
**(unaudited)**

	2020					2019				
(In millions of dollars, except per share amounts)	Annual	Q4'20	Q3'20	Q2'20	Q1'20	Annual	Q4'19	Q3'19	Q2'19	Q1'19
Revenue										
Wireless	8,530	2,291	2,228	1,934	2,077	9,250	2,493	2,324	2,244	2,189
Cable	3,946	1,019	988	966	973	3,954	987	994	997	976
Media	1,606	409	489	296	412	2,072	530	483	591	468
Corporate items and intercompany eliminations	(166)	(39)	(40)	(41)	(46)	(203)	(58)	(47)	(52)	(46)
Revenue	13,916	3,680	3,665	3,155	3,416	15,073	3,952	3,754	3,780	3,587
Total service revenue <sup>1</sup>	11,955	3,023	3,086	2,797	3,049	12,965	3,244	3,233	3,345	3,143
Adjusted EBITDA <sup>2</sup>										
Wireless	4,067	1,034	1,089	918	1,026	4,345	1,064	1,138	1,128	1,015
Cable	1,935	520	508	454	453	1,919	497	499	478	445
Media	51	82	89	(35)	(85)	140	22	130	72	(84)
Corporate items and intercompany eliminations	(196)	(46)	(48)	(43)	(59)	(192)	(53)	(55)	(43)	(41)
Adjusted EBITDA	5,857	1,590	1,638	1,294	1,335	6,212	1,530	1,712	1,635	1,335
Deduct (add):										
Depreciation and amortization	2,618	666	663	650	639	2,488	638	627	614	609
Restructuring, acquisition and other	185	73	49	42	21	139	38	42	39	20
Finance costs	881	228	219	214	220	840	230	215	206	189
Other expense (income)	1	2	6	7	(14)	(10)	(12)	16	(1)	(13)
Net income before income tax expense	2,172	621	701	381	469	2,755	636	812	777	530
Income tax expense	580	172	189	102	117	712	168	219	186	139
Net income	1,592	449	512	279	352	2,043	468	593	591	391
Earnings per share:										
Basic	\$3.15	\$0.89	\$1.01	\$0.55	\$0.70	\$3.99	\$0.92	\$1.16	\$1.15	\$0.76
Diluted	\$3.13	\$0.89	\$1.01	\$0.54	\$0.68	\$3.97	\$0.92	\$1.14	\$1.15	\$0.76
Net income	1,592	449	512	279	352	2,043	468	593	591	391
Add (deduct):										
Restructuring, acquisition and other	185	73	49	42	21	139	38	42	39	20
Loss on repayment of long-term debt	—	—	—	—	—	19	19	—	—	—
Income tax impact of above items	(49)	(19)	(13)	(11)	(6)	(43)	(14)	(13)	(10)	(6)
Income tax adjustment, legislative tax change	(3)	(3)	—	—	—	(23)	—	—	(23)	—
Adjusted net income <sup>2</sup>	1,725	500	548	310	367	2,135	511	622	597	405
Adjusted earnings per share <sup>2</sup> :										
Basic	\$3.42	\$0.99	\$1.09	\$0.61	\$0.73	\$4.17	\$1.00	\$1.22	\$1.17	\$0.79
Diluted	\$3.40	\$0.99	\$1.08	\$0.60	\$0.71	\$4.15	\$1.00	\$1.19	\$1.16	\$0.78

<sup>1</sup> See "Key Performance Indicators".

<sup>2</sup> Adjusted EBITDA and adjusted net income 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 and Related Performance Measures" for information about these measures, including how we calculate them and the ratios in which they are used.

**Rogers Communications Inc.**  
**Additional Information**  
**(unaudited)**

(In millions of dollars, except capital intensity and per share amounts)	2020					2019				
	Annual	Q4'20	Q3'20	Q2'20	Q1'20	Annual	Q4'19	Q3'19	Q2'19	Q1'19
Capital expenditures										
Wireless	1,100	337	228	254	281	1,320	360	288	390	282
Cable	940	227	217	245	251	1,153	289	290	285	289
Media	79	36	18	13	12	102	46	17	17	22
Corporate	193	56	41	47	49	232	96	62	50	24
Capital expenditures <sup>1</sup>	2,312	656	504	559	593	2,807	791	657	742	617
Capital intensity <sup>2</sup>										
Wireless	12.9%	14.7%	10.2%	13.1%	13.5%	14.3%	14.4%	12.4%	17.4%	12.9%
Cable	23.8%	22.3%	22.0%	25.4%	25.8%	29.2%	29.3%	29.2%	28.6%	29.6%
Media	4.9%	8.8%	3.7%	4.4%	2.9%	4.9%	8.7%	3.5%	2.9%	4.7%
Consolidated	16.6%	17.8%	13.8%	17.7%	17.4%	18.6%	20.0%	17.5%	19.6%	17.2%
Adjusted EBITDA <sup>3</sup>	5,857	1,590	1,638	1,294	1,335	6,212	1,530	1,712	1,635	1,335
Deduct:										
Capital expenditures	2,312	656	504	559	593	2,807	791	657	742	617
Interest on borrowings, net of capitalized interest	761	191	191	192	187	727	187	189	183	168
Cash income taxes paid	418	175	75	75	93	400	55	99	101	145
Free cash flow <sup>3</sup>	2,366	568	868	468	462	2,278	497	767	609	405
Dividends declared	1,010	252	253	253	252	1,022	253	256	256	257
Dividends per share	\$2.00	\$0.50	\$0.50	\$0.50	\$0.50	\$2.00	\$0.50	\$0.50	\$0.50	\$0.50

<sup>1</sup> Includes additions to property plant and equipment net of proceeds on disposition, but does not include expenditures for spectrum licences or additions to right-of-use assets.

<sup>2</sup> See "Key Performance Indicators".

<sup>3</sup> 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 and Related Performance Measures" for information about these measures, including how we calculate them and the ratios in which they are used.

**Rogers Communications Inc.**

**Free Cash Flow**

(unaudited)

(In millions of dollars)	2020					2019				
	Annual	Q4'20	Q3'20	Q2'20	Q1'20	Annual	Q4'19	Q3'19	Q2'19	Q1'19
Cash provided by operating activities	4,321	947	986	1,429	959	4,526	1,166	1,305	1,057	998
Add (deduct):										
Capital expenditures	(2,312)	(656)	(504)	(559)	(593)	(2,807)	(791)	(657)	(742)	(617)
Interest on borrowings, net of capitalized interest	(761)	(191)	(191)	(192)	(187)	(727)	(187)	(189)	(183)	(168)
Interest paid	808	194	216	198	200	779	198	222	139	220
Restructuring, acquisition and other	185	73	49	42	21	139	38	42	39	20
Program rights amortization	(77)	(23)	(16)	(16)	(22)	(77)	(19)	(17)	(22)	(19)
Change in net operating assets and liabilities <sup>1</sup>	333	265	383	(447)	132	462	102	101	237	22
Other adjustments <sup>1</sup>	(131)	(41)	(55)	13	(48)	(17)	(10)	(40)	84	(51)
Free cash flow <sup>2</sup>	2,366	568	868	468	462	2,278	497	767	609	405

<sup>1</sup> As a result of the growth of our financing receivable program and the ways in which we manage our business, effective this quarter and retroactively, we have reclassified the "net change in contract asset balances" and the "net change in financing receivable balances" into "change in net operating assets and liabilities". Additionally, certain 2019 reported figures have been reclassified to conform to the current presentation.

<sup>2</sup> Free cash flow is a non-GAAP measure and should not be considered a substitute or alternative for GAAP measures. This 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 and Related Performance Measures" for information about this measure, including how we calculate it and the ratios in which it is used.

**Rogers Communications Inc.**
**Adjusted Net Debt**
**(unaudited)**

(In millions of dollars, except ratios)	2020				2019			
	Q4'20	Q3'20	Q2'20	Q1'20	Q4'19	Q3'19	Q2'19	Q1'19
Current portion of long-term debt	1,450	1,450	1,450	1,450	—	1,400	500	500
Long-term debt	16,751	17,297	17,558	18,375	15,967	14,879	15,663	13,224
Deferred transaction costs and discounts	172	175	178	176	163	138	141	111
	<b>18,373</b>	18,922	19,186	20,001	16,130	16,417	16,304	13,835
Add (deduct):								
Net debt derivative assets	(1,086)	(2,155)	(2,808)	(3,537)	(1,383)	(1,660)	(1,004)	(1,059)
Credit risk adjustment related to net debt derivative assets	(15)	(86)	(152)	(414)	(31)	(79)	(29)	(45)
Short-term borrowings	1,221	982	650	966	2,238	1,708	1,989	2,648
Current portion of lease liabilities	278	268	271	253	230	219	196	187
Lease liabilities	1,557	1,560	1,574	1,557	1,495	1,435	1,412	1,371
Cash and cash equivalents	(2,484)	(2,248)	(1,795)	(1,936)	(494)	(262)	(404)	(264)
Adjusted net debt <sup>1</sup>	<b>17,844</b>	17,243	16,926	16,890	18,185	17,778	18,464	16,673
Divided by: trailing 12-month adjusted EBITDA <sup>1</sup>	<b>5,857</b>	5,797	5,871	6,212	6,212	6,250	6,196	6,109
Debt leverage ratio <sup>1</sup>	<b>3.0</b>	3.0	2.9	2.7	2.9	2.8	3.0	2.7

<sup>1</sup> Adjusted net debt and adjusted EBITDA 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 and Related Performance Measures" for information about these measures, including how we calculate them and the ratios in which they are used.

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

	2020				2019			
(In millions of dollars)	Q4'20	Q3'20	Q2'20	Q1'20	Q4'19	Q3'19	Q2'19	Q1'19
<b>ASSETS</b>								
Current assets:								
Cash and cash equivalents	2,484	2,248	1,795	1,936	494	262	404	264
Accounts receivable <sup>1</sup>	2,856	2,481	1,995	2,197	2,376	2,097	2,193	2,088
Inventories	479	460	319	423	460	393	459	462
Current portion of contract assets	533	736	910	1,094	1,234	1,154	1,120	1,081
Other current assets <sup>1</sup>	516	467	481	501	452	472	445	411
Current portion of derivative instruments	61	64	94	192	101	129	146	201
<b>Total current assets</b>	<b>6,929</b>	<b>6,456</b>	<b>5,594</b>	<b>6,343</b>	<b>5,117</b>	<b>4,507</b>	<b>4,767</b>	<b>4,507</b>
Property, plant and equipment	14,018	13,940	14,048	14,049	13,934	13,661	13,538	13,327
Intangible assets	8,926	8,891	8,883	8,896	8,905	8,893	8,899	7,188
Investments	2,536	2,711	2,520	2,554	2,830	2,744	2,569	2,458
Derivative instruments	1,378	2,143	2,771	3,490	1,478	1,639	1,191	1,119
Financing receivables <sup>1</sup>	748	578	345	207	76	30	11	4
Other long-term assets <sup>1</sup>	346	351	441	614	756	665	635	645
Goodwill	3,973	3,940	3,935	3,923	3,923	3,923	3,923	3,905
<b>Total assets</b>	<b>38,854</b>	<b>39,010</b>	<b>38,537</b>	<b>40,076</b>	<b>37,019</b>	<b>36,062</b>	<b>35,533</b>	<b>33,153</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>								
Current liabilities:								
Short-term borrowings	1,221	982	650	966	2,238	1,708	1,989	2,648
Accounts payable and accrued liabilities	2,714	2,494	2,340	2,433	3,033	2,572	2,773	2,693
Income tax payable	344	374	299	232	48	129	226	193
Other current liabilities <sup>1</sup>	243	148	112	135	191	117	181	273
Contract liabilities	336	302	297	279	224	166	196	282
Current portion of long-term debt	1,450	1,450	1,450	1,450	—	1,400	500	500
Current portion of lease liabilities	278	268	271	253	230	219	196	187
<b>Total current liabilities</b>	<b>6,586</b>	<b>6,018</b>	<b>5,419</b>	<b>5,748</b>	<b>5,964</b>	<b>6,311</b>	<b>6,061</b>	<b>6,776</b>
Provisions	42	37	36	37	36	37	37	36
Long-term debt	16,751	17,297	17,558	18,375	15,967	14,879	15,663	13,224
Lease liabilities	1,557	1,560	1,574	1,557	1,495	1,435	1,412	1,371
Other long-term liabilities <sup>1</sup>	1,149	697	579	624	704	456	593	616
Deferred tax liabilities	3,196	3,365	3,398	3,536	3,437	3,301	2,953	2,863
<b>Total liabilities</b>	<b>29,281</b>	<b>28,974</b>	<b>28,564</b>	<b>29,877</b>	<b>27,603</b>	<b>26,419</b>	<b>26,719</b>	<b>24,886</b>
Shareholders' equity	9,573	10,036	9,973	10,199	9,416	9,643	8,814	8,267
<b>Total liabilities and shareholders' equity</b>	<b>38,854</b>	<b>39,010</b>	<b>38,537</b>	<b>40,076</b>	<b>37,019</b>	<b>36,062</b>	<b>35,533</b>	<b>33,153</b>

<sup>1</sup> As a result of the growth of our financing receivable program and the ways in which we manage our business, effective this quarter and retroactively, we have reclassified certain balances. Current financing receivables have been reclassified from "other current assets" to "accounts receivable", "financing receivables" have been reclassified from "other long-term assets", and "contract assets" have been reclassified to "other long-term assets". Derivative instrument liabilities have been reclassified to "other current liabilities" and "other long-term liabilities", as applicable.

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

(In millions of dollars)	2020					2019				
	Annual	Q4'20	Q3'20	Q2'20	Q1'20	Annual	Q4'19	Q3'19	Q2'19	Q1'19
Cash provided by (used in):										
Operating activities:										
Net income for the period	1,592	449	512	279	352	2,043	468	593	591	391
Adjustments to reconcile net income to cash provided by operating activities:										
Depreciation and amortization	2,618	666	663	650	639	2,488	638	627	614	609
Program rights amortization	77	23	16	16	22	77	19	17	22	19
Finance costs	881	228	219	214	220	840	230	215	206	189
Income tax expense	580	172	189	102	117	712	168	219	186	139
Post-employment benefits contributions, net of expense	13	39	42	(80)	12	(75)	7	33	(123)	8
Other <sup>1</sup>	119	4	19	74	22	82	(9)	23	38	30
	5,880	1,581	1,660	1,255	1,384	6,167	1,521	1,727	1,534	1,385
Change in net operating assets and liabilities <sup>1</sup>	(333)	(265)	(383)	447	(132)	(462)	(102)	(101)	(237)	(22)
Income taxes paid	(418)	(175)	(75)	(75)	(93)	(400)	(55)	(99)	(101)	(145)
Interest paid	(808)	(194)	(216)	(198)	(200)	(779)	(198)	(222)	(139)	(220)
Cash provided by operating activities	4,321	947	986	1,429	959	4,526	1,166	1,305	1,057	998
Investing activities:										
Capital expenditures	(2,312)	(656)	(504)	(559)	(593)	(2,807)	(791)	(657)	(742)	(617)
Additions to program rights	(57)	(12)	(23)	(7)	(15)	(60)	(31)	(15)	(7)	(7)
Changes in non-cash working capital related to capital expenditures and intangible assets	(37)	97	20	(25)	(129)	(35)	109	(63)	26	(107)
Acquisitions and strategic transactions, net of cash acquired	(103)	(95)	(8)	—	—	(1,731)	—	—	(1,731)	—
Other	(49)	11	(32)	(9)	(19)	21	20	11	(7)	(3)
Cash used in investing activities	(2,558)	(655)	(547)	(600)	(756)	(4,612)	(693)	(724)	(2,461)	(734)
Financing activities:										
Net (repayment of) proceeds received from short-term borrowings	(1,146)	256	325	(310)	(1,417)	30	553	(311)	(642)	430
Net issuance (repayment) of long-term debt	2,540	—	—	(345)	2,885	2,184	(92)	—	2,676	(400)
Net proceeds (payments) on settlement of debt derivatives and forward contracts	80	—	—	(10)	90	(121)	5	(22)	(93)	(11)
Principal payments of lease liabilities	(213)	(58)	(57)	(48)	(50)	(167)	(43)	(45)	(38)	(41)
Transaction costs incurred	(23)	(1)	(1)	(5)	(16)	(61)	(28)	—	(33)	—
Repurchase of Class B Non-Voting Shares	—	—	—	—	—	(655)	(361)	(89)	(69)	(136)
Dividends paid	(1,011)	(253)	(253)	(252)	(253)	(1,016)	(256)	(256)	(257)	(247)
Other	—	—	—	—	—	(19)	(19)	—	—	—
Cash provided by (used in) financing activities	227	(56)	14	(970)	1,239	175	(241)	(723)	1,544	(405)
Change in cash and cash equivalents	1,990	236	453	(141)	1,442	89	232	(142)	140	(141)
Cash and cash equivalents, beginning of period	494	2,248	1,795	1,936	494	405	262	404	264	405
Cash and cash equivalents, end of period	2,484	2,484	2,248	1,795	1,936	494	494	262	404	264

<sup>1</sup> As a result of the growth of our financing receivable program and the ways in which we manage our business, effective this quarter and retroactively, we have reclassified the "net change in contract asset balances" and the "net change in financing receivable balances" into "change in net operating assets and liabilities". Additionally, certain 2019 reported figures have been reclassified to conform to the current presentation.

**Rogers Communications Inc.**
**Wireless**
**(unaudited)**

(In millions of dollars, except margins)	2020					2019				
	Annual	Q4'20	Q3'20	Q2'20	Q1'20	Annual	Q4'19	Q3'19	Q2'19	Q1'19
Revenue										
Service revenue	6,579	1,637	1,652	1,578	1,712	7,156	1,788	1,808	1,813	1,747
Equipment revenue	1,951	654	576	356	365	2,094	705	516	431	442
Revenue	8,530	2,291	2,228	1,934	2,077	9,250	2,493	2,324	2,244	2,189
Operating expenses										
Cost of equipment	1,932	654	567	337	374	2,231	733	530	467	501
Other operating expenses	2,531	603	572	679	677	2,674	696	656	649	673
Operating expenses	4,463	1,257	1,139	1,016	1,051	4,905	1,429	1,186	1,116	1,174
Adjusted EBITDA	4,067	1,034	1,089	918	1,026	4,345	1,064	1,138	1,128	1,015
Adjusted EBITDA service margin <sup>1</sup>	61.8%	63.2%	65.9%	58.2%	59.9%	60.7%	59.5%	62.9%	62.2%	58.1%
Adjusted EBITDA margin <sup>2</sup>	47.7%	45.1%	48.9%	47.5%	49.4%	47.0%	42.7%	49.0%	50.3%	46.4%
Capital expenditures	1,100	337	228	254	281	1,320	360	288	390	282

<sup>1</sup> Calculated using service revenue.

<sup>2</sup> Calculated using total revenue.

**Subscriber Results <sup>1</sup>**

(In thousands, except churn, blended ABPU, and blended ARPU)

Postpaid										
Gross additions	1,381	458	450	216	257	1,566	483	437	351	295
Net additions (losses)	245	114	138	(1)	(6)	334	131	103	77	23
Total postpaid subscribers <sup>2</sup>	9,683	9,683	9,569	9,431	9,432	9,438	9,438	9,360	9,257	9,180
Churn (monthly)	1.00%	1.19%	1.10%	0.77%	0.93%	1.11%	1.26%	1.20%	0.99%	0.99%
Prepaid										
Gross additions	550	127	163	119	141	773	168	235	199	171
Net (losses) additions	(142)	(40)	30	(66)	(66)	(97)	(76)	27	8	(56)
Total prepaid subscribers <sup>2</sup>	1,260	1,260	1,300	1,270	1,336	1,402	1,402	1,478	1,451	1,570
Churn (monthly)	4.38%	4.31%	3.46%	4.73%	4.98%	4.86%	5.58%	4.74%	4.43%	4.69%
Blended ABPU (monthly)	\$63.24	\$62.82	\$63.55	\$61.57	\$65.14	\$66.23	\$66.17	\$67.20	\$67.16	\$64.62
Blended ARPU (monthly)	\$50.75	\$50.02	\$51.12	\$49.09	\$52.85	\$55.49	\$55.26	\$56.01	\$56.73	\$54.13

<sup>1</sup> Subscriber counts, subscriber churn, blended ABPU, and blended ARPU are key performance indicators. See "Key Performance Indicators".

<sup>2</sup> As at end of period.



**Rogers Communications Inc.**
**Cable**
**(unaudited)**

	2020					2019				
(In millions of dollars, except margins)	Annual	Q4'20	Q3'20	Q2'20	Q1'20	Annual	Q4'19	Q3'19	Q2'19	Q1'19
Revenue										
Service revenue	3,936	1,016	985	964	971	3,940	984	989	993	974
Equipment revenue	10	3	3	2	2	14	3	5	4	2
Revenue	3,946	1,019	988	966	973	3,954	987	994	997	976
Operating expenses	2,011	499	480	512	520	2,035	490	495	519	531
Adjusted EBITDA	1,935	520	508	454	453	1,919	497	499	478	445
Adjusted EBITDA margin	49.0%	51.0%	51.4%	47.0%	46.6%	48.5%	50.4%	50.2%	47.9%	45.6%
Capital expenditures	940	227	217	245	251	1,153	289	290	285	289
Subscriber Results <sup>1</sup>										
(In thousands, except ARPA and penetration)										
Internet										
Net additions	57	19	16	5	17	104	27	41	22	14
Total Internet subscribers <sup>2,3,4</sup>	2,598	2,598	2,574	2,556	2,551	2,534	2,534	2,507	2,466	2,444
Ignite TV										
Net additions	218	71	38	18	91	284	106	65	66	47
Total Ignite TV subscribers <sup>2</sup>	544	544	473	435	417	326	326	220	155	89
Homes passed <sup>2</sup>	4,578	4,578	4,543	4,517	4,500	4,472	4,472	4,434	4,412	4,381
Customer relationships										
Net additions (losses)	12	11	6	(7)	2	21	8	14	—	(1)
Total customer relationships <sup>2,3,4</sup>	2,530	2,530	2,513	2,505	2,512	2,510	2,510	2,502	2,488	2,488
ARPA (monthly)	\$130.70	\$134.43	\$131.25	\$128.12	\$128.91	\$131.71	\$130.86	\$132.22	\$133.24	\$130.51
Penetration <sup>2</sup>	55.3%	55.3%	55.3%	55.5%	55.8%	56.1%	56.1%	56.4%	56.4%	56.8%

<sup>1</sup> Subscriber counts, ARPA, and penetration are key performance indicators. See "Key Performance Indicators".

<sup>2</sup> As at end of period.

<sup>3</sup> On September 30, 2020, we acquired approximately 2,000 Internet subscribers and customer relationships as a result of our acquisition of Ruralwave Inc., which are not included in net additions, but do appear in the ending total balance for December 31, 2020.

<sup>4</sup> On October 1, 2020, we acquired approximately 5,000 Internet subscribers and 6,000 customer relationships as a result of our acquisition of Cable Cable Inc., which are not included in net additions, but do appear in the ending total balance for December 31, 2020.

**Rogers Communications Inc.**

**Media**

**(unaudited)**

(In millions of dollars, except margins)	2020					2019				
	Annual	Q4'20	Q3'20	Q2'20	Q1'20	Annual	Q4'19	Q3'19	Q2'19	Q1'19
Revenue	1,606	409	489	296	412	2,072	530	483	591	468
Operating expenses	1,555	327	400	331	497	1,932	508	353	519	552
Adjusted EBITDA	51	82	89	(35)	(85)	140	22	130	72	(84)
Adjusted EBITDA margin	3.2%	20.0%	18.2%	(11.8%)	(20.6%)	6.8%	4.2%	26.9%	12.2%	(17.9%)
Capital expenditures	79	36	18	13	12	102	46	17	17	22

## Key Performance Indicators

We measure the success of our strategy using a number of key performance indicators that are defined and discussed in our 2019 Annual MD&A and our Fourth Quarter 2020 Earnings Press Release. 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; and
  - homes passed (Cable);
- Wireless subscriber churn (churn);
- Wireless blended average billings per user (ABPU);
- Wireless blended average revenue per user (ARPU);
- Cable average revenue per account (ARPA);
- Cable customer relationships;
- Cable market penetration;
- capital intensity; and
- total service revenue.

## Non-GAAP Measures and Related Performance Measures

We use the following non-GAAP measures and related performance measures. These are reviewed regularly by management and the Board 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 or related performance 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"> <li>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.</li> <li>We believe that certain investors and analysts use adjusted EBITDA to measure our ability to service debt and to meet other payment obligations.</li> <li>We also use it as one component in determining short-term incentive compensation for all management employees.</li> </ul>	<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 (or service revenue for Wireless)</p>	Net income
Adjusted net income  Adjusted basic and diluted earnings per share	<ul style="list-style-type: none"> <li>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.</li> </ul>	<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; loss on bond forward derivatives; 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 and adjusted net income including the dilutive effect of stock-based compensation 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"> <li>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.</li> <li>We believe that some investors and analysts use free cash flow to value a business and its underlying assets.</li> </ul>	Adjusted EBITDA deduct capital expenditures; interest on borrowings net of capitalized interest; and cash income taxes.	Cash provided by operating activities
Adjusted net debt	<ul style="list-style-type: none"> <li>To conduct valuation-related analysis and make decisions about capital structure.</li> <li>We believe this helps investors and analysts analyze our enterprise and equity value and assess our leverage.</li> </ul>	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; current portion of lease liabilities; lease liabilities; bank advances (cash and cash equivalents); and short-term borrowings.	Long-term debt
Debt leverage ratio	<ul style="list-style-type: none"> <li>To conduct valuation-related analysis and make decisions about capital structure.</li> <li>We believe this helps investors and analysts analyze our enterprise and equity value and assess our leverage.</li> </ul>	Adjusted net debt (defined above) divided by 12-month trailing adjusted EBITDA (defined above).	Long-term debt divided by net income