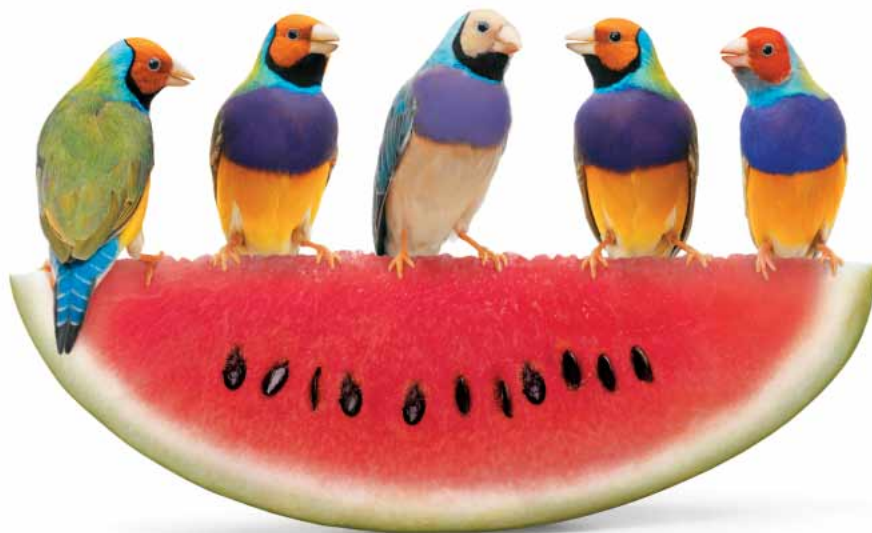


2005 highlights



financial and operating highlights

- Achieved all consolidated 2005 revenue, profitability and cash flow targets – despite a four-month labour disruption – largely driven by our national wireless business and positive earnings in non-incumbent operations in Central Canada
- Increased net income and earnings per share by 24% due to strong wireless operating earnings
- Improved free cash flow by 13% as a result of solid EBITDA growth and reduced restructuring payments
- Significantly decreased our net debt to EBITDA ratio to 1.7 in 2005, consistent with our long-term leverage target ratio of 1.5 to 2.0
- Generated double-digit growth in wireless subscribers

(\$ in millions except per share amounts)	2005	2004	% change
Operations			
Operating revenues	\$ 8,143	\$ 7,581	7.4
EBITDA ¹	\$ 3,295	\$ 3,091	6.6
Operating income	\$ 1,672	\$ 1,448	15.5
Net income	\$ 700	\$ 566	23.7
Basic earnings per share	\$ 1.96	\$ 1.58	24.1
Dividends declared per share	\$ 0.875	\$ 0.65	34.6
Dividend payout ratio (%) ²	56	51	–
Return on common equity (%)	9.9	8.4	–
Cash from operations ³	\$ 2,915	\$ 2,538	14.9
Capital expenditures	\$ 1,319	\$ 1,319	0.0
Financial position			
Total assets	\$ 16,222	\$ 17,838	(9.1)
Net debt ⁴	\$ 5,794	\$ 6,478	(10.6)
Net debt to EBITDA ratio ⁵	1.7	2.1	–
Free cash flow ⁶	\$ 1,466	\$ 1,297	13.0
Shareholders' equity	\$ 6,870	\$ 7,026	(2.2)
Market capitalization of equity ⁷	\$ 16,557	\$ 12,741	30.0
Other information (as at December 31)			
Wireless subscribers (000s)	4,521	3,936	14.9
Network access lines (000s)	4,691	4,808	(2.4)
Total Internet subscribers (000s)	999	971	2.9

1 Operating revenues less Operations expense less Restructuring and workforce reduction costs.

2 Last quarterly dividend declared per share, in the respective reporting period, annualized, divided by the sum of Basic earnings per share reported in the most recent four quarters.

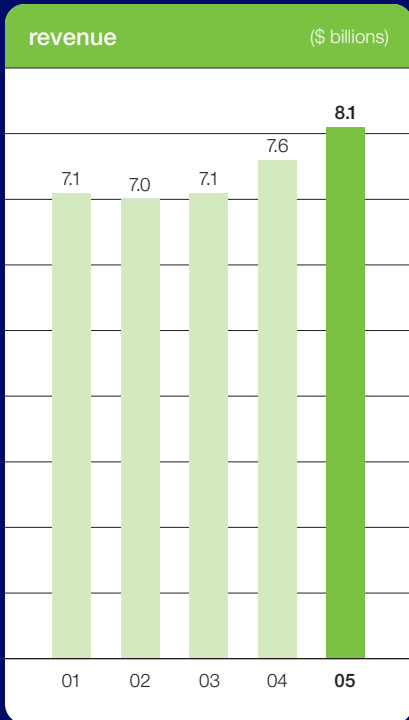
3 Cash provided by operating activities.

4 Long-term debt plus current maturities of Long-term debt and cheques outstanding less Cash and temporary investments plus cross currency foreign exchange hedge liability (less cross currency foreign exchange hedge asset) related to U.S. dollar notes.

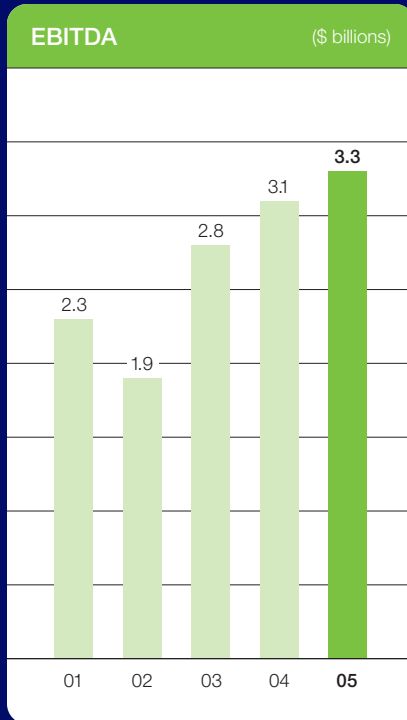
5 Net debt to EBITDA, where EBITDA excludes Restructuring and workforce reduction costs.

6 EBITDA, adding Restructuring and workforce reduction costs, cash interest received and excess of share compensation expense over share compensation payments, subtracting cash interest paid, cash taxes, capital expenditures, and cash restructuring payments.

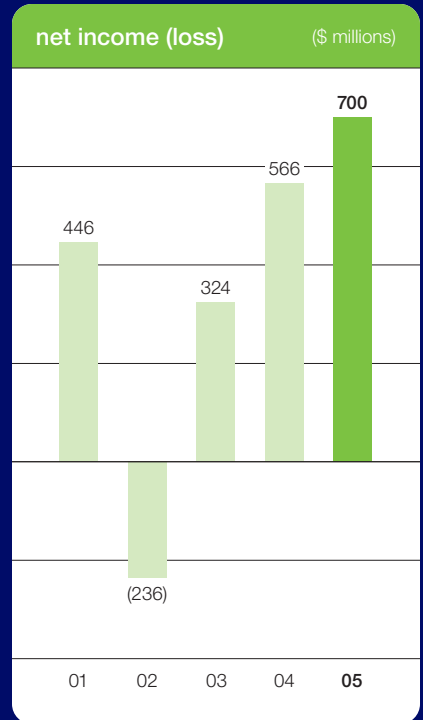
7 Market capitalization based on year-end closing share prices and shares outstanding.



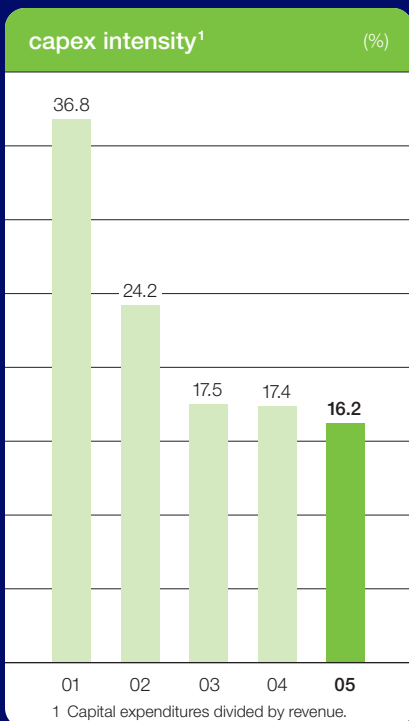
Revenue increased by 7%, due to strong growth in both wireless revenue and wireline data revenue



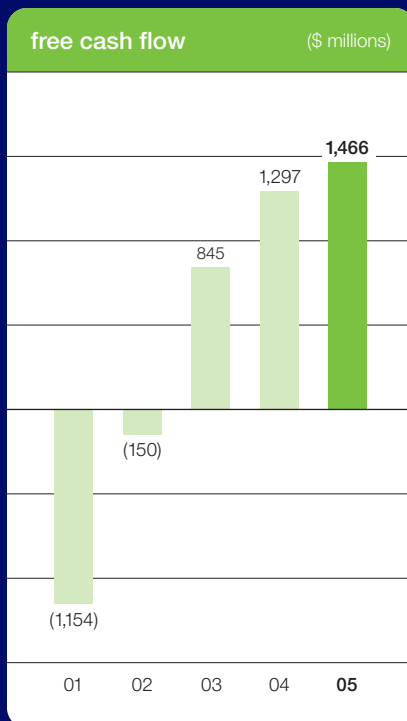
EBITDA grew by 7%, driven by strong wireless growth, partly offset by \$133 million of net labour disruption expenses



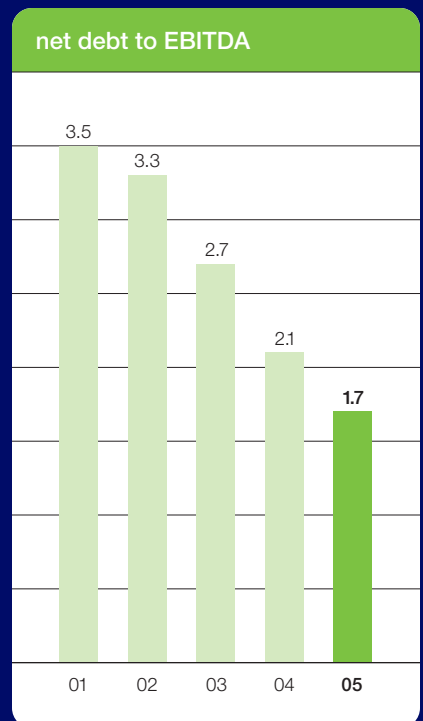
Net income increased by 24%, driven by growth in EBITDA



Capex intensity declined due to revenue growth and stable capital expenditures as some capital investments were deferred to 2006



Free cash flow grew by \$169 million due to higher EBITDA and lower cash restructuring payments



Net debt to EBITDA ratio continued to decrease in 2005, ending the year at 1.7