PRESS RELEASE
For immediate release

Cogeco Inc. Releases Its Results for the Second Quarter of Fiscal 2018

- **Revenue increased by $36.8 million, or 6.3% (8.2% in constant currency[1]), to reach $623.2 million;**
- **Adjusted EBITDA[1] reached $272.5 million, increasing by $14.4 million, or 5.6% (7.4% in constant currency), compared to the second quarter of fiscal 2017;**
- **Closing of the MetroCast acquisition on January 4, 2018; and**
- **A quarterly eligible dividend of $0.39 per share was declared.**

Montréal, April 12, 2018 – Today, Cogeco Inc. (TSX: CGO) ("Cogeco" or the "Corporation") announced its financial results for the second quarter ended February 28, 2018, in accordance with International Financial Reporting Standards ("IFRS").

For the second quarter of fiscal 2018:

- Revenue increased by $36.8 million, or 6.3%, to reach $623.2 million driven by growth of 6.8% in the Communications segment, partly offset by a decrease of 4.9% in the Other segment. On constant currency basis, revenue increased by 8.2% driven by growth of 8.8% in the Communications segment as result of the acquisition of substantially all the assets of Harron Communications, L.P. cable systems operating under the MetroCast brand name ("MetroCast") on January 4, 2018, partly offset by a decrease of 4.9% in the Other segment resulting mainly from a less favorable advertising market in the media activities;

- Adjusted EBITDA increased by $14.4 million, or 5.6%, to reach $272.5 million compared to the same period of fiscal 2017. On a constant currency basis, adjusted EBITDA increased by 7.4% mostly attributable the improvement in the Communications segment as a result of the MetroCast acquisition;

- Profit for the period amounted to $143.8 million of which $46.0 million, or $2.81 per share, was attributable to owners of the Corporation compared to $78.2 million for the second quarter of fiscal 2017 of which $25.9 million, or $1.55 per share, was attributable to owners of the Corporation. The increase is mainly due to the $89 million (US$70 million) reduction in deferred income taxes related to the recent US tax reform and the improvement of adjusted EBITDA, partly offset by increases in depreciation and amortization, integration, restructuring and acquisition costs and financial expense mainly as a result of the MetroCast acquisition;

- Free cash flow[1] decreased by $54.5 million, or 45.6%, to reach $64.9 million compared to the same quarter of the prior year. In constant currency basis, free cash flow decreased by 47.2% as a result of the increase in acquisitions of property, plant and equipment, intangible and other assets mainly attributable to the acquisition for $21.2 million (US $16.8 million) of several dark fibres from FiberLight, LLC combined with $16.0 million primarily in acquisitions costs as well as additional financial expense resulting from the MetroCast acquisition in the Communications segment. The decrease was partly offset by the increase of adjusted EBITDA;

(1) The indicated terms do not have standardized definitions prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the "Non-IFRS financial measures" section of the MD&A.

- Cash flow from operating activities decreased by $35.7 million, or 14.0%, to reach $218.2 million compared to fiscal 2017 second-quarter mainly due to increases in income taxes paid, integration, restructuring and acquisition costs and financial expenses paid, partly offset by the increase in changes in non-cash operating activities primarily due to changes in working capital and the improvement in adjusted EBITDA; and

- At its April 12, 2018 meeting, the Board of Directors of Cogeco declared a quarterly eligible dividend of $0.39 compared to $0.34 per share paid in the comparable period of fiscal 2017.

For the six-month period ended February 28, 2018:

- Revenue increased by $39.8 million, or 3.4%, to reach $1.21 billion. On constant currency basis, revenue increased by 5.3% driven by growth of 5.8% in the Communications segment mainly as a result of the MetroCast acquisition, partly offset by a decrease of 4.7% in the Other segment resulting mainly from a less favorable advertising market in the media activities;

- Adjusted EBITDA increased by $9.6 million, or 1.8%, to reach $528.9 million compared to the same period of fiscal 2017. On a constant currency basis, adjusted EBITDA increased by 3.4% mostly attributable to the improvement in the Communications segment as a result of the MetroCast acquisition;

- Profit for the period amounted to $225.5 million of which $75.5 million, or $4.60 per share, was attributable to owners of the Corporation compared to $160.2 million for the same period of fiscal 2017 of which $56.6 million, or $3.39 per share, was attributable to owners of the Corporation. The increase is mainly due to the $89 million (US$70 million) reduction in deferred income taxes related to the recent US tax reform and the improvement of adjusted EBITDA, partly offset by increases in depreciation and amortization, integration, restructuring and acquisition costs and financial expense mainly as a result of the MetroCast acquisition;

- Free cash flow decreased by $54.8 million, or 24.0% to reach $174.0 million compared to the same period of the prior year. In constant currency basis, free cash flow decreased by 25.4% as a result of the increase in acquisitions of property, plant and equipment, intangible and other assets mainly attributable to the acquisition for $21.2 million (US$16.8 million) of several dark fibres from FiberLight, LLC combined with $16.4 million primarily in acquisitions costs as well as additional financial expense resulting from the MetroCast acquisition in the Communications segment. The decrease was partly offset by the increase of adjusted EBITDA; and

- Cash flow from operating activities decreased by $156.2 million, or 41.5%, to reach $220.5 million compared to the same period of the prior year mainly due to the increases in income taxes paid, integration, restructuring and acquisition costs and financial expenses paid and changes in non-cash operating activities primarily due to changes in working capital, partly offset by the improvement in adjusted EBITDA.

“Our results overall for the second quarter of 2018, which is also our first quarter since closing the acquisition of the MetroCast cable systems, are stable and in line with expectations,” declared Louis Audet, President and Chief Executive Officer of Cogeco Inc. “Results for Cogeco Connexion, our Canadian broadband subsidiary, remained steady despite the highly competitive market environment.”

“At Atlantic Broadband, results are aligned with our forecasts and we are satisfied with the current direction of our strategy in the United States,” stated Mr. Audet. “We are very pleased with the work being done to ensure the smooth integration of the MetroCast acquisition which is progressing according to plan. In addition, our American broadband subsidiary has seen an increase in primary service units in the last quarter most notably thanks to our successful expansion in Florida.”

“Our Business ICT subsidiary, Cogeco Peer 1, remains focused on building and offering a relevant suite of solutions and providing expert advice in a constantly evolving and intensely competitive market,” added Mr. Audet.

“Finally, in our radio business, we are witnessing an advertising market that is increasingly under pressure. Despite this, Cogeco Media remains competitive in large part thanks to the excellent ratings many of our stations continue to enjoy,” concluded Louis Audet.

ABOUT COGECO

Cogeco Inc. is a diversified holding corporation which operates in the communications and media sectors. Through its Cogeco Communications Inc. subsidiary, Cogeco provides its residential and business customers with Internet, video and telephony services through its two-way broadband fibre networks. Cogeco Communications Inc. operates in Canada under the Cogeco Connexion name in Québec and Ontario, and in the United States under the Atlantic Broadband name in 11 states along the East Coast, from Maine to Florida. Through Cogeco Peer 1, Cogeco Communications Inc. provides its business customers with a suite of information technology services (colocation, network connectivity, hosting, cloud and managed services), through its 16 data centres, extensive FastFiber Network® and more than 50 points of presence in North America and Europe. Through its subsidiary Cogeco Media, Cogeco owns and operates 13 radio stations across most of Québec with complementary radio formats serving a wide range of audiences as well as Cogeco News, its news agency. Cogeco's subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CGO). The subordinate voting shares of Cogeco Communications Inc. are also listed on the Toronto Stock Exchange (TSX: CCA).

Source: **Cogeco Inc.**
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Analyst Conference Call: **Friday, April 13, 2018 at 11:00 a.m.** (Eastern Daylight Time)
Media representatives may attend as listeners only.

Please use the following dial-in number to have access to the conference call by dialing five minutes before the start of the conference:

Canada/United States Access Number: **1-877-291-4570**
International Access Number: **+ 1-647-788-4919**

In order to join this conference, participants are only required to provide the operator with the company name, that is, Cogeco Inc. or Cogeco Communications Inc.

By Internet at http://corpo.cogeco.com/cgo/en/investors/investor-relations/

SHAREHOLDERS' REPORT
Three and six-month periods ended February 28, 2018

FINANCIAL HIGHLIGHTS

(in thousands of dollars, except percentages, per share data and number of shares)	Three-months ended February 28, 2018	February 28, 2017	Change	Change in constant currency (1)	Foreign exchange impact (2)	Six-months ended February 28, 2018	February 28, 2017	Change	Change in constant currency (1)	Foreign exchange impact (2)
	$	$	%	%	$	$	$	%	%	$
Operations										
Revenue	623,226	586,417	6.3	8.2	(11,159)	1,209,298	1,169,505	3.4	5.3	(21,800)
Adjusted EBITDA[1]	272,492	258,043	5.6	7.4	(4,603)	528,862	519,310	1.8	3.4	(8,078)
Integration, restructuring and acquisition costs[3]	15,999	—	—			16,391	—	—		
Profit for the period	143,765	78,232	83.8			225,543	160,191	40.8		
Profit for the period attributable to owners of the Corporation	45,974	25,865	77.7			75,499	56,630	33.3		
Cash Flow										
Cash flow from operating activities	218,156	253,808	(14.0)			220,485	376,683	(41.5)		
Acquisitions of property, plant and equipment, intangible and other assets[4]	127,772	87,036	46.8	51.6	(4,133)	224,081	184,380	21.5	25.8	(7,865)
Free cash flow[1]	64,946	119,461	(45.6)	(47.2)	1,868	173,960	228,794	(24.0)	(25.4)	3,184
Financial condition[5]										
Cash and cash equivalents						174,272	212,283	(17.9)		
Short-term investments						34,000	54,000	(37.0)		
Total assets						7,342,242	5,499,376	33.5		
Indebtedness[6]						4,133,918	2,633,159	57.0		
Equity attributable to owners of the Corporation						665,334	578,556	15.0		
Per Share Data[7]										
Earnings per share										
Basic	2.81	1.55	81.3			4.60	3.39	35.7		
Diluted	2.79	1.54	81.2			4.57	3.37	35.6		
Dividends	0.39	0.34	14.7			0.39	0.34	14.7		
Weighted average number of multiple and subordinate voting shares outstanding	16,369,823	16,660,147	(1.7)			16,400,378	16,690,737	(1.7)		

(1) The indicated terms do not have standardized definitions prescribed by the International Financial Reporting Standards ("IFRS") and, therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the “Non-IFRS financial measures” section of the MD&A.

(2) Key performance indicators presented on a constant currency basis are obtained by translating financial results of the current periods denominated in US dollars and GBP currency at the foreign exchange rates of the comparable periods of the prior year. For the three and the six-months periods ending February 28, 2017, the average foreign exchange rates used for translation were 1.3210 USD/CDN and 1.6439 GBP/CDN and 1.3238 USD/CDN and 1.6597 GBP/CDN, respectively.

(3) For the three and six-month periods ended February 28, 2018, integration, restructuring and acquisitions costs were related to the MetroCast acquisition completed on January 4, 2018.

(4) For the three and six-month periods ended February 28, 2018, acquisitions of property, plant and equipment, intangible and other assets in constant currency amounted to $131.9 million and $231.9 million, respectively.

(5) At February 28, 2018 and August 31, 2017.

(6) Indebtedness is defined as the aggregate of bank indebtedness, balance due on a business combination and principal on long-term debt.

(7) Per multiple and subordinate voting shares.