



Vidéotron – Press information- 2

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January 22 1997

Redemption of CFCF debentures and merger between CFCF and a Groupe Vidéotron subsidiary directors of CFCF has approved, subject to the debentureholders' approval, the early redemption of its convertible subordinated debentures issued on May 18, 1994. In addition, Groupe Vidéotron and CFCF announced that CFCF and the subsidiary of Groupe Vidéotron which acquired in June 1996, through a take-over bid, all of the Multiple Voting Shares and 99.75% of the outstanding Subordinate Voting Shares of CFCF, approved an amalgamation agreement whereby CFCF and this subsidiary of Groupe Vidéotron propose to amalgamate, subject to their respective shareholders' approval, on April 1, 1997.

The approval by the debentureholders of the early redemption of all of the outstanding debentures will dispose of the uncertainty and of the legal proceedings resulting from the motion of certain debentureholders as to their entitlement to vote on the amalgamation to the regulatory authorities and will enable CFCF to seek approval of its shareholders alone before proceeding with the amalgamation. The amalgamated corporation will be responsible for the obligations of each of the amalgamating corporations. The amalgamation will also render possible the privatization of CFCF. Pending the approval by the CRTC, the management of the amalgamated corporation will remain unchanged while the shares of its share capital will be held in trust by the voting trustee.

A meeting of the holders of debentures of CFCF is called for February 27, 1996 at the registered office of CFCF, at 405 Ogilvy Avenue, in Montreal. At that meeting, an extraordinary resolution approving the early redemption of the debentures will be submitted for consideration to the debenture holders of CFCF. On the same day, a meeting of the holders of Multiple Voting Shares and of the holders of Subordinate Voting Shares of CFCF will be held, also at the registered office of CFCF. At that meeting, a special resolution approving the amalgamation agreement will be submitted for consideration to the holders of the Multiple Voting Shares and the holders of the Subordinate Voting Shares voting separately as classes and together as shareholders of CFCF.

The record date for the purposes of the meetings of the debentureholders and of the shareholders was set for January 22, 1997 and the management proxy material is expected to be sent out by January 28, 1997.

The redemption of the debentures will be at a price of \$1,200 per \$1,000 of debentures (of which \$200 will be assumed by Groupe Vidéotron), plus any accrued and unpaid interest from the last date of payment of interest up to, but excluding, the date of redemption.

Under the amalgamation, all holders of outstanding Subordinate Voting Shares other than the Groupe Vidéotron subsidiary will receive for such Subordinate Voting Shares a consideration in the form of preferred shares of the amalgamated corporation. These preferred shares will be redeemed not later than the business day following their issue at a price of \$21.50 per share, being the same price in cash as the one offered for Subordinate Voting Shares under the offer of Groupe Vidéotron.

It is anticipated that the debentures will be delisted from the Montreal Exchange and The Toronto Stock Exchange once redeemed. Moreover, it is also anticipated that upon the amalgamation or as soon as possible thereafter, the Subordinate Voting Shares of CFCF shall be delisted from these exchanges.

CFCF Inc. is a diversified Canadian communications company active in television broadcasting, cable television and production.

Le Groupe Vidéotron Itée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Its technological know-how acquired with the Vidéoway multimedia system and its UK integrated cable/telephony experience enables it to play a leading role in the development of the information highway.

January 23 1997

Groupe Vidéotron maintains revenue growth in first quarter, reports on U.K. activities for the last time publication of its first quarter results which consolidate, for the last time, the results of its former U.K. subsidiary. Groupe Vidéotron closed the sale of its indirect interest in Videotron Holdings Plc. last December for a consideration of US\$ 607 million (CDN\$ 825 million).

Revenue for the three months ended November 30, 1996 increased by 13.3% to \$238,696,000 from \$210,741,000 for the same period in the previous year. U.K. activities contributed more than half the increase, while cable television and telecommunications in Canada and the United States accounted for nearly \$7,000,000 and \$4,500,000, respectively. Income from operations before depreciation and amortization was \$64,653,000, an increase of \$5,046,000 or 8.5% compared to \$59,607,000 in the corresponding quarter last year. Depreciation and amortization increased by 15.2% to \$41,421,000 from \$35,950,000 in the first quarter last year, attributable to the United Kingdom network and private cable activities in the United States.

Financial expenses increased to \$31,850,000 due to the financing of the CFCF Inc. acquisition and higher interest expenses incurred by operating activities in the United Kingdom and the United States.

The net loss for the first quarter was \$10,175,000 or \$0.10 per share compared to a net loss of \$3,367,000 or \$0.04 per share for the same period in 1996.

Beginning with the second quarter, our results will no longer be affected by the weight of our UK investment and will begin to reflect our North American focus and the growing importance of our U.S. private cable activities, said Claude Chagnon, President and Chief Operating Officer of Groupe Vidéotron.

CABLE TELEVISION AND TELECOMMUNICATIONS - CANADA Total sector revenue increased by 6.7% to \$110,762,000 from \$103,820,000 last year. Income from operations before depreciation and amortization was \$41,567,000 compared to \$40,102,000 in the same period in fiscal 1996. Discounting the start-up costs related to on-line services, income from operations before depreciation and amortization would have shown stronger growth. At the end of the first quarter of fiscal 1997, basic service subscribers totalled 1,230,505, Videoway subscribers totalled 261,955 and discretionary services, 426,280. On the telecommunications side, Vidéotron Télécom Itée recorded revenue of \$5,397,000, an increase of 61.6% compared to the previous year. Income from operations before depreciation and amortization was \$2,655,000, an increase of 51.2%.

TELEVISION BROADCASTING - CANADA Revenue was stable at \$55,836,000 compared to \$55,688,000 last year. Operating expenses declined slightly, contributing to income from operations before depreciation and amortization of \$15,331,000 or a 4.6% increase from \$14,654,000 last year.

PRIVATE CABLE - UNITED STATES Revenue from private cable activities in the United States increased to US \$9,125,000 compared to US \$5,826,000 last year, resulting from greater sales volume. In cable television, OpTel had 121,099 subscribers at the end of the first quarter, 51.7% more than in the same period last year. In telephony, its penetration rate was 43.6% with 5,668 customers where this service is offered. The operating loss was reduced to near break-even, or US \$227,000 compared to US \$318,000 at the end of November 1995.

Le Groupe Vidéotron Itée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Its technological know-how acquired with the Vidéoway multimedia system and its UK integrated cable/telephony experience enables it to play a leading role in the development of the information highway.

February 17 1997

OpTel, inc., Groupe Vidéotron's American subsidiary, concludes private financing

Inc. has completed a private financing of US \$225,000,000 of Senior Notes due 2005, and 225,000 shares of non-voting common stock.

The Senior Notes bearing interest at 13% will mature on February 15, 2005 and the interest will be payable semi-annually on February 15 and August 15 of each year, starting August 15, 1997. The Notes will be redeemable at the **option of OpTel**, in whole or in part, at any time on or after February 15, 2002, at a decreasing premium over their face value.

The net proceeds of the private financing, approximately US \$ 219,000,000, are expected to be used as follows: approximately \$129 million will be attributed to the continued expansion of the company's networks and the implementation of its telecommunications strategy, as well as for general corporate purposes; \$10 million will be used to repay 15% convertible notes held by **VPC Corporation**, the company's principal stockholder and a **wholly-owned subsidiary of Groupe Vidéotron**; and about \$80 million will be deposited in an escrow account to fund the first six interest payments on the Notes.

OpTel, Inc. is the largest private cable operator in the U.S. It offers cable television and, in certain areas, telecommunications services to multi-dwelling unit developments with which it negotiates long-term agreements. The Company is currently active in the metropolitan areas of Houston, Dallas/Fort Worth, San Diego, Phoenix, Chicago, Denver, San Francisco, Los Angeles, Miami/Fort Lauderdale, Tampa, and Austin. As of November 30, 1996, it had some 120,000 cable service subscribers and some 4,500 telephone service subscribers.

Le Groupe Vidéotron ltée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting and in the development of interactive multimedia services. **Through OpTel, Inc. it owns a private cable television and telephony operation in the United States. In addition, it indirectly owns a 50% interest in a wireless cable operation in the United States. Its technological know-how acquired with the Vidéoway multimedia system and its UK integrated cable/telephony experience enables it to play a leading role in the development of the information highway.**

February 18 1997

Le Groupe Vidéotron Ltée declares a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share after payment of the dividend provided for the Second Preferred Shares, Series A.

The dividend will be payable on March 21, 1997 to shareholders of record on March 1, 1997.

February 27 1997

Groupe Vidéotron accepts CRTC ruling

Vidéotron family. We will then have the critical mass required to position ourselves favorably in the new emerging markets, to support investments in exciting new products and services and to have a common competitive strategy in the large urban areas such as Montreal, commented Claude Chagnon, President and Chief Operating Officer of Le Groupe Vidéotron ltée.»

« We accept the CRTC's decision concerning Télévision Quatre Saisons. That being said, it is regrettable that the CRTC did not appreciate the benefits for TQS in our proposal, added Claude Chagnon. We continue to believe that it was the best way of ensuring the continued viability of Quebec's two French-language private networks and to preserve the quality of broadcasting in French. »

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9/20/2000

February 28 1997

Groupe Vidéotron puts TQS up for sale

Groupe Vidéotron announces that, following yesterday's **CRTC ruling** on its request for effective control of CFCF Inc., it has mandated the trustee to proceed with the sale of the undertaking operating **Télévision Quatre Saisons** and the participation in Canal Indigo.

Groupe Vidéotron added that, in accordance with the **Voting Trust Agreement executed on May 14, 1996**, date on which it acquired the shares of **CFCF Inc.**, the sale will be consistent with the objective of obtaining the best value reasonably obtainable, in such a manner based on advice from professional advisors that maximizes after-tax proceeds to the ultimate recipients thereof.

In commenting this decision to sell, **Mr. Claude Chagnon, President and Chief Operating Officer of Groupe Vidéotron** added: « We are asking **the trustee, Mr. André H. Caron**, to proceed expeditiously in order to respect the timetable put forward by **the CRTC**. »

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March 3 1997

UBI crosses decisive threshold with deployment of 10,000 interactive multimedia boxes in as many homes

Homes in Chicoutimi and Jonquière equipped with the UBI multimedia interactive set-top box, printer and remote control. By Spring, 30,000 homes in the region will have the UBI system through their main TV set, allowing them access to multimedia and transactional services.

The announcement was made today by André Chagnon, Chairman of the Board of Directors of the UBI Consortium, during a press conference attended by Lucien Bouchard, Québec Premier and Member of the National Assembly for Jonquière riding.

"UBI has remained loyal to its basic principles: it is universal, free of charge and user friendly," said Mr. Chagnon. "These principles contribute to its success and differentiate **UBI** from initiatives elsewhere around the world. We are experiencing something that is unique in the world."

Sylvie Lalande, Chief Executive Officer of the UBI Consortium, noted that content from service suppliers can be transported from one technology platform to another, in either direction. "Content that is currently available on the Internet can be adapted to be enriched through the value added that is contributed by UBI to any content -- remarkable image quality, a presentation that is adapted to the TV viewer comfortably installed in front of the TV set, unmatched speed of access, the use of a printer and a secure transactional environment. This content, which has been enriched by the attributes of UBI, can then be exported to the Internet, allowing this content provider to be everywhere."

"UBI adds value to traditional television. To its role in entertainment and information, UBI is adding interactivity, a door into the virtual community. When plugged into a high performance broadband network, TV offers limitless possibilities when it comes to the speed of access and the quality of multimedia services," concluded Mr. Chagnon.

UBI, an acronym for Universal, Bidirectional and Interactive, is also unique because of its 80% penetration rate which gives advertisers access to a large audience, and also because it is free of charge. UBI is financed from upstream revenues, that is, by advertisers who pay to promote their products and services. There are no fees for UBI equipment. Access to services is free of charge for users.

"Our deployment teams are going flat out, customer services is listening and responding, our research team in the field is asking questions and our team of representatives is working with our suppliers in the development of their UBI services," concluded Ms. Lalande.

9/20/2000

The founding partners of the **UBI Consortium** are **National Bank of Canada, Loto-Québec, Hydro-Québec, Le Groupe Vidéotron Itée, Canada Post Corporation and The Hearst Corporation**

March 27 1997

CFCF acquisition: **Groupe Vidéotron** seeks leave to appeal **CRTC** decision of Appeals seeking leave to appeal the **Canadian Radio television and Telecommunications Commission's (CRTC) decision (CRTC 1997-1984)** issued on February 27, 1997 and concerning the approval of the acquisition of CFCF Inc.'s cable TV and broadcasting concerns.

Groupe Vidéotron's motion alleges that the CRTC exceeded its jurisdiction and seeks the correction of certain legal errors in its CRTC 97-84 decision, thus cancelling the condition precedent affecting the transfer of control of the CF Cable TV Inc. operations.

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April 11 1997

TQS sold to **Quebecor** and **Cancom** for the account of **Le Groupe Vidéotron Ltée**, has announced today that an agreement has been reached for the sale of Television Quatre Saisons (TQS) to **a consortium controlled by Quebecor Inc.** with the important participation of **Canadian Satellite Communications Inc. (Cancom)**, a subsidiary of **WIC Western International Communications Inc.** The agreement is subject to the approval of the Canadian Radio-television and Telecommunications Commission (**CRTC**). **Quebecor** and **Cancom** are committed to the timetable set forth in the **CRTC decision 1997-1984** and **to file an application for the transfer of control of the TQS licences no later than April 29.**

After a confidential analysis of all bids received, the trustee is of the opinion that the Quebecor/Cancom offer represented the best proposal possible under the circumstances, taking into account the general concerns of the CRTC with respect to transactions of this kind and his mandate to secure the best value which could reasonably be obtained.

TQS operates the television station licences of CFJP-TV (Montreal), CFAP-TV (Quebec) and CJPC-TV (Rimouski) and the Quatre Saisons television network licence.

Quebecor Inc. is a communications group with activities throughout **North America and Europe** in four sectors. The company has publishing and distribution activities **through its subsidiary, Quebecor Communications Inc.** Through its **subsidiary, Quebecor Printing Inc., it ranks as the leading commercial printer in Canada and Europe** and is the second largest in the United States. **Through its subsidiary Donohue Inc., Canada's leading newsprint producer and the third largest in North America, the company is involved in forest products.** Finally, through **Quebecor Multimedia Inc.,** it is also in the multimedia industry. It employs more than 32,000 persons. The Class A Multiple Voting Shares of **Quebecor Inc.** are listed on the **Montreal and Toronto stock exchanges under the ticker symbol QBR.A** and on the **American Stock Exchange under the ticker symbol PQB.** Its **Class B Subordinate Voting Shares** are listed on the **Montreal and Toronto stock exchanges under the ticker symbol QBR.B.** Trading on the **Toronto and Montreal stock exchanges,** **Cancom** is the foremost provider of **digital satellite services in Canada. Cancom's Broadcast Division offers digital TV and radio signals in English and French to 2,525 small cable systems reaching 3.7 million homes across the country. Cancom's Business Division provides customized integrated satellite and terrestrial mobile, data and Internet networks. Cancom's Business Television is the country's primary provider of permanent and on request multi-point private broadcasting networks and of satellite interactive distance learning with its unique production studio and the One Touch interactive systems.**

Cancom is the exclusive distributor of **QUALCOMM's OmniTRACS system in Canada with which it provides mobile satellite communications services to over 11,000 long haul Canadian trucks across all of North America.**

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For more information, please contact:

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April 15 1997

Vidéotron launches pager with voice mail company, as of today we are adding state-of-the-art digital paging with voice mail to our service offering.

That is how **Guy Crevier, President of Vidéotron Itée**, officially launched this new personal communications service which means users will no longer be confined to a limited service region. The Vidéotron pager will follow its user almost anywhere in Québec with no additional charges. This new service is targeted for consumers, particularly families, teens and self-employed workers. It will be distributed via the **network of SuperClub Vidéotron outlets throughout Québec.**

After cable television, **pay television, pay-per-view**, after the launch of our Internet access service through conventional telephone lines or by high-speed cable modem, we are now launching another personal communications product which will contribute to making Vidéotron a communications industry leader, said **Mr. Crevier.**

Vidéotron management expects strong growth in the paging market during the next five years and a significant increase in the penetration rate. The Canadian pager market will benefit from being opened up to competition which should lead to sustained growth. We believe that pagers can meet communications needs at very competitive rates. We therefore intend to make our mark in this promising market, as a reseller, and to seize opportunities for synergies and bundling with our other products. As well, we consider that our 1.2 million customers and our network of SuperClub Vidéotron outlets provide a natural access to the fast-growing personal communications market.

One of the major advantages of the **Vidéotron service** offering is the extended local zone which covers practically all of Québec -- unlike the competition. **Vidéotron's local service extends** from Rimouski to Ottawa and from the Saguenay/Lac-St-Jean region to Kingston, Ontario. Additional geographic coverage is also offered. In addition, **Vidéotron's cable television** subscribers will enjoy special rates, representing a more than 20% reduction from the regular monthly rate.

With respect to the network and equipment, **Mr. Crevier** specified that **Vidéotron** is associated with a well-known partner, **PageNet**, the North American leader in the paging industry. Thanks to this partnership, we are able to launch our new pager service by using **PageNet's ultramodern digital network at very competitive costs.**

We will shortly be able to offer customers new personal communications services. **PageNet** already has a strong reputation in product development.

Through this **partnership**, **Vidéotron** is assured of the participation and support of an experienced team which already serves more than 9 million customers in North America.

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April 21 1997

1997 six-month results : Groupe Vidéotron records gain

Le Groupe Vidéotron ltée reports a net income of \$279,761,000 or \$2.55 per share for the first six months of its current fiscal year, compared to a net loss of \$10,203,000 or \$0.10 per share for the same period in fiscal year 1996. This net income includes among other things a pre-tax gain of \$486,081,000 on the disposal of its indirect UK subsidiary Videotron Holdings Plc.

Consolidated revenue totalled \$415,662,000 for the first six months compared to \$416,209,000 in the corresponding period of fiscal 1996. On a pro forma basis in which the UK activities are deconsolidated, revenue for the first six months of the current fiscal year increased by 5.2% to \$363,394,000 from \$345,550,000. Income from operations before amortization and depreciation rose by 2.1% to \$102,436,000 from \$100,366,000.

Income from operations before depreciation and amortization was stable at \$111,505,000 compared to \$111,038,000 in the year-ago period. Depreciation and amortization were similar in the two periods.

Financial expenses were higher for the first six months of the current year at \$51,755,000 compared to \$47,562,000 in fiscal 1996 as a result of the CFCF Inc. acquisition. The debt related to the acquisition of CFCF was repaid during the second quarter, leading to the accelerated amortization of the financing expenses. This amount is included in the item "Share in the results of affiliated companies".

Claude Chagnon, President and Chief Operating Officer of Le Groupe Vidéotron ltée, noted that the disposal of **the UK subsidiary** has significantly reinforced Groupe Vidéotron's consolidated financial position. "We are now in an excellent position to support the development and roll-out of new services through our state-of-the-art broadband network in Canada," said Mr. Chagnon. "The pace of revenue growth is expected to pick up and income from operations will follow suit as our new services attract customers to cover the associated costs of providing these services."

CABLE TELEVISION AND TELECOMMUNICATIONS - CANADA

Revenue increased by 7.4% to \$225,337,000 in the first six months of fiscal 1997. This reflects 2.6% growth in the number of basic service subscribers and a slightly higher rate base, the contribution from new French - language pay-per-view services, subscriber growth for Internet access services and strong telecommunications activity. Vidéotron Télécom ltée registered a revenue increase of 72% compared to the first six months of the previous fiscal year with nearly three-quarters coming from sales to external customers. Income from operations before depreciation and amortization for the sector rose by 2.4% to \$83,683,000.

TELEVISION BROADCASTING -- CANADA

Télé-Métropole posted strong results. Revenue increased by 3.2% to \$98,983,000 for the latest six-month period. Operating expenses increased slightly, reflecting the higher business volume and income from operations before depreciation and amortization rose by 9.1% to \$22,303,000.

PRIVATE CABLE – USA

Private cable operations conducted [through OpTel, Inc., an American subsidiary indirectly owned at 76.1%](#), posted 51.7% higher revenue, at \$25,351,000 for the first six months of fiscal 1996, as it continued to add subscribers and [grow its niche franchise in selected US cities](#). Cable television subscribers increased by 37.4% while the number of telephone lines rose by 124.2% over the same period last year.

The sector reduced its operating loss to \$307,000, an improvement of 63% from the first six months of fiscal 1996, while incurring higher costs associated with its rapid expansion.

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Table : [Consolidated Statements Of Income](#)

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April 29 1997

Le Groupe Videotron ltee, declares a dividend

The dividend will be payable on June 21, 1997 to shareholders of record on June 1, 1997.

May 30 1997

André Chagnon takes helm of **UBI Consortium**

"I would like to thank and congratulate Ms. Lalande for her pioneering work during the past three years as head of **UBI**," said Mr. Chagnon. "She showed leadership throughout her mandate and succeeded in implementing [Phase 1](#) of **UBI** in the Saguenay."

"With more than 18,000 homes representing all levels of society connected to **UBI**, the Saguenay is a true living laboratory which, thanks to the collaboration of its many users, has been an every day learning experience," said Ms. Lalande. "I wish my successor as much pleasure and satisfaction in guiding the preparatory works for the deployment of [Phase II](#) as I have enjoyed during Phase I." The objective of [Phase II](#) is to connect 1.5 million Quebec homes to the [information highway](#).

The mission of the **UBI Consortium Inc.** is the development and deployment of a multimedia transactional tool in 1.5 million cabled Quebec homes. **UBI** will achieve this by offering [multimedia, interactive and transactional services](#) in the home from suppliers in the private and public sectors through their [TV sets](#). Free access to these services and the user friendly features of the system currently allow users in the Saguenay to surf on **UBI** without the constraints generally associated with new technologies.

For information :

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June 6 1997

Groupe Vidéotron issues 500 second preferred shares series B

Montréal June 6, 1997 – Le Groupe Vidéotron Ltée announces, as part of an internal financial planning process, the issue of 500 Second Preferred Shares, Series B. This new issue of preferred shares was fully subscribed by means of a private placement made by an indirect wholly owned subsidiary.

The Second Preferred Shares, Series B, issued, are non-voting and redeemable at Le Groupe Vidéotron Ltée or at the holder's option, but non convertible into Subordinate Voting Shares of Le Groupe Vidéotron Ltée. They will carry a cumulative preferred dividend equivalent to 10.05%.

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Friday, July 11 1997

REORGANIZATION AT SENIOR LEVEL OF VIDÉOTRON LTÉE

Claude Chagnon, President and Chief Operating Officer of Le Groupe Vidéotron Ltée, announces the resignation of **Guy Crevier as President and Chief Executive Officer of Vidéotron Ltée**. While retaining his current responsibilities with Groupe Vidéotron, **Claude Chagnon** assumes the position of president of the cable-TV subsidiary.

"During the past 18 months, **Guy Crevier**, with his management team, has successfully initiated the strategic changes required as we enter a competitive universe," explained Mr. Chagnon. "He leaves an organization that is well-equipped to complete the job and we thank him for his contribution. Mr. Crevier's accomplishments, combined with the refocusing of our activities on the North American market and the importance of our core business, gives us the opportunity to reorganize the senior management structure of Vidéotron Ltée and move closer to the company's operations at a time when the entire organization is gearing up for a dynamic entry into the telecommunications field."

Mr. Crevier came to Groupe Vidéotron through Télé-Métropole in 1989, rising through the ranks of the broadcasting company to become its President and Chief Executive Officer in 1994. In 1996, he moved on to the helm of Vidéotron Ltée. "My work at Vidéotron Ltée was most interesting and challenging," said Mr. Crevier. "Supported by the management team that remains in place, I have contributed in giving the organization the tools and dynamism that will serve it well in the coming years. There is no doubt in my mind that the company has a promising future." He stressed that his time with Vidéotron made him realize his deep attachment to the world of communications and he thanked his close collaborators and Vidéotron employees for their support through the years.

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Thursday, July 17 1997

GRUPE VIDÉOTRON RECORDS NINE-MONTH NET INCOME OF

Following the first nine-months of its current fiscal year, Le Groupe Vidéotron Ltée [ME :TSE VDO] recorded net income of \$281,439,000 or \$2.57 per share, compared to a net loss of \$13,792,000 or \$0.14 per share for the same period in fiscal year 1996. This net income includes among other things a pre-tax gain of some \$486 millions on the disposal of its investment in its indirect UK subsidiary Videotron Holdings Plc.

Consolidated revenue totalled \$615,285,000 for the nine-month period compared to \$641,527,000 in the corresponding period of fiscal 1996. Income from operations before depreciation and amortization stood at \$173,265,000 compared to \$175,714,000 in the year-ago period. Amortization and depreciation followed the same pattern, falling by 1.8% to \$106,424,000. **However, on a pro forma basis in which the UK activities are deconsolidated, revenue for the nine months of the current fiscal year increased by 6.5% to \$563,019,000 from \$528,688,000. Income from operations before amortization and depreciation rose by 5.3% to \$164,194,000 from \$155,944,000. Amortization and depreciation increased by \$12,386,000 to \$95,684,000.**

"From an operational standpoint, explained Claude Chagnon, President and Chief Operating Officer of [Le Groupe Vidéotron Itée](#), we have deployed considerable efforts to cost-effectively introduce new services in Canada and to enhance our presence in the United States through OpTel. It goes without saying, he continued, that until the new services and our US activities can build up a critical mass of customers, they will continue to weigh on our earnings before amortization and depreciation".

CANADA - CABLE TELEVISION ANDELECOMMUNICATIONS

Revenue increased by 8.7% to \$344,903,000 in the first nine months of fiscal 1997. A 2.6 % growth in the number of basic service subscribers in addition to a slightly higher rate base, the contribution from new French-language pay-per-view services, subscriber growth for Internet access services and strong telecommunications activities contributed to this upswing. Vidéotron Télécom Itée registered a revenue increase of 73.2% compared to the first nine months of the previous fiscal year with nearly three-quarters coming from sales to external customers. Income from operations before depreciation and amortization for the cable television and telecommunications sector rose by 4.8% to \$131,086,000.

USA - PRIVATE CABLE

Private cable operations conducted through OpTel, Inc., an indirectly 76.1% owned American subsidiary, posted 49.5% higher revenue, at \$39,903,000 for the first nine months of fiscal 1996, as it continued to add subscribers and grow its niche franchise in selected US cities. Cable television subscribers increased by 23.1% and the number of telephone lines rose by 105.1%, reaching, respectively, 53.1% and 33.3% penetration levels in units passed.

While incurring higher costs associated with its rapid expansion, the sector nevertheless reduced its operating loss to \$1,310,000, from the \$1,972,000 reported during the first nine months of fiscal 1996.

CANADA - TELEVISION BROADCASTING

Télé-Métropole posted revenue of \$158,024,000, a 4.1% increase over the 1996 nine-month period. Strong viewership ratings contributed to this increase. Income from operations before depreciation and amortization reached \$40,571,000, a 15.0% rise over the previous year.

Le Groupe Vidéotron Itée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Its technological know-how acquired with the Vidéoway multimedia system and its UK integrated cable/telephony experience enables it to play a leading role in the development of the information highway.

Monday, August 18 1997

GRUPE VIDÉOTRON ANNOUNCES NEW U.S. PARTNER

Montréal, August 18, 1997 – [Le Groupe Vidéotron Itée](#) announces that it has entered into a shareholders' agreement with [Capital Communications CDPQ Inc.](#), a wholly-owned subsidiary of [Caisse de dépôt et placement du Québec](#), with respect to the shareholding in [OpTel Inc.](#) Pursuant to an agreement with [Vanguard Communications L.P.](#), [Capital Communications CDPQ Inc.](#) acquired from [Vanguard OpTel shares](#) representing a 19% voting interest. [VPC Corporation](#), a [Groupe Vidéotron subsidiary](#), holds the remaining 81% of the voting shares of [OpTel](#).

Caisse de dépôt et placement du Québec has been a Groupe Vidéotron shareholder since 1980. Groupe Vidéotron is pleased to duplicate in the United States this partnership that has benefited all parties involved.

OpTel, Inc. is the largest private cable operator in the U.S. It offers cable television services to multi-dwelling unit developments with which it negotiates long-term rights of entry. The Company is currently active in the metropolitan areas of Houston, Dallas/Fort Worth, San Diego, Phoenix, Chicago, Denver, San Francisco, Los Angeles, Miami/Fort Lauderdale, Tampa, and Austin. As at May 31, 1997, it had some 134,000 cable service subscribers and some 6,400 telephone service subscribers.

Capital Communications CDPQ Inc. offers intelligent and dynamic capital to enterprises in the **communications and telecommunications sector** that are seeking to **penetrate promising markets** or to **consolidate their position**. Its portfolio contains about 30 investments with an aggregate value of approximately \$950 million.

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Friday, August 22 1997

VIDÉOTRON INTEGRATES CF CABLE TV

Montréal, August 22, 1997 -- "We have been waiting a long time to integrate **CF Cable TV** and its subsidiaries within **Vidéotron**. Starting today, we can begin to implement our business plans and take advantage of the strategic benefits provided by the CF Cable TV operations, especially in the Greater Montréal region." said **Mr. Claude Chagnon, President and Chief Operating Officer of Groupe Vidéotron**, as he commented **the CRTC decision** allowing **Le Groupe Vidéotron Itée** to exercise control of CF Cable TV, acquired in **May 1996**. **The CRTC decision** follows the regulator's approval of the sale of **CFCF-TV to a consortium formed by WIC and the Caisse de dépôt et placement du Québec** as well as the sale of **TQS** to a consortium in which **Quebecor** is the main player.

"Together with the teams from CF Cable, we can now offer a broader range of communications services in an area encompassing 1.4 million homes, or 75% of the cable television subscribers in Québec," said **Mr. Chagnon**. "But beyond the addition of a large base of subscribers to our operations, we wish to welcome CF Cable employees and subscribers who are joining **Vidéotron**. I would like to assure CF Cable subscribers that our objective is to meet their expectations and that, as we do for **Vidéotron** subscribers in **Québec and Alberta**, we will offer services and programming that takes into account their cultural and entertainment preferences."

Mr. Chagnon reiterated the company's intention to support the new program grid unveiled by CF Cable and to "begin implementing one of our undertakings to **Vidéotron** subscribers bordering CF Cable territories such as NDG, Côte St-Luc, Montreal West and Ville St-Pierre by providing them with access to cable programming that better meets their entertainment preferences, namely CF Cable programming."

It should be recalled that, following a **CRTC decision last February**, **Groupe Vidéotron** could not exercise control over CF Cable TV and its subsidiaries **until after it had sold CFCF-TV and TQS** and until after the **new owners had obtained approvals for the transfers of their broadcasting licenses**.

On the other hand, **Groupe Vidéotron** regrets that **the CRTC** did not allowed to take over Réseau de télévision **Quatre Saisons (RTQS)** which holds a 20% interest in **Canal Indigo**. **Groupe Vidéotron** will abide by the decision and initiate the sale of this undertaking to a third party.

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Monday, September 22 1997

VIDÉOTRON A MAJOR PLAYER IN MULTIMEDIA DEVELOPMENT IN QUEBEC

"Vidéotron is extremely proud today to be a partner in three Quebec projects to develop and market French-language multimedia content."

With these words, Claude Chagnon, President and Chief Operating Officer of Groupe Vidéotron Itée and President of Vidéotron Itée, officially announced three new strategic partnerships, namely the interactive MID Multimedia course on surfing the Internet already available in Vidéotron's new Internet access kit, the Musée de Poche CD-ROM produced by Public Technologie Multimédia, which offers a site allowing children to create multimedia contents and share their creations with other users, and Appel, an on-line learning site developed by Les Éditions Beauchemin, which will contain 200 highly educational activities for students aged 10 to 12.

"Our interest in developing French-language multimedia contents, particularly in education, goes back well over a year," said Mr. Chagnon, referring to an investment program undertaken by Vidéotron in June 1996 to develop and expand the use of French on the Internet. To date, Vidéotron has signed some 25 partnership agreements with, among others, school boards, CEGEPs, schools and several private-sector organizations. Mr. Chagnon urged people to visit the InfiniT Éducation site created by his company, so they can see for themselves how successful Vidéotron and its partners have been in their efforts to develop quality educational contents.

He also reminded those present that Vidéotron had created the InfiniT site as a counterweight to the predominance of English-language content on the Internet. Today, this site has become the most visited virtual community in Quebec, with more than a million hits a month.

In addition, Vidéotron is actively involved in a program that provides schools in Vidéotron territory with free access to cable television, as well as a variety of educational television programs.

Finally, convinced that using the full potential of multimedia technology was the most appropriate general-public solution, in June 1996 Vidéotron launched its high-speed Internet access service. "Network modernization is in progress throughout our territory. Before long, every home in the network will have high-speed access to Vidéotron's infohighway." High-speed cable modem access is already available on nearly half of Videotron's Montreal territory.

Essentially, all these projects confirm Vidéotron's firm intention to play a major role in multimedia, not only as a top-quality carrier, but also as a partner of choice in content development.

Tuesday, September 23 1997

VIDÉOTRON TÉLÉCOM LTÉE RECOGNIZED AS A COMPETITIVE LOCAL EXCHANGE CARRIER IN TELECOMMUNICATIONS

Vidéotron Télécom Itée has been officially granted the status of competitive local exchange carrier by the **Canadian Radio-Television and Telecommunications Commission (CRTC)**. This recognition is the result of an application made to the **CRTC** in this regard on August 13 and September 11. **Vidéotron Télécom Itée is the first company in Canada to have sought and obtained this status in the context of the new regulatory framework on competition in the Canadian local telephone services market, which was announced by the CRTC on May 1, 1997. This status will not only allow entry into the residential and business telephony market in Québec, which is estimated at more than \$4 billion, but will also enable Vidéotron Télécom Itée to position itself as a major competitor to the traditional telephone company.**

The status of competitive local exchange carrier having been achieved, **Vidéotron Télécom Itée** can now complete its plans for a test of local telephone number portability, which is scheduled from November 1997 to March 1998. This test, which is required by the **CRTC** and will be conducted in Montréal for **vision.com, the national umbrella organization of Canada's cable television companies**, will be crucial in evaluating the new portability technology being proposed. Local number portability will enable customers of a local telephone service provider to keep the same telephone number if they choose the services of another local service provider. **Vidéotron Télécom Itée** believes that this will be a determining factor in potential customers choosing its services once they are available.

Vidéotron Télécom Ltée is a subsidiary of **Le Groupe Vidéotron Itée**. Its 4,000-km system of fibre optic cables enables it to reach 90% of the homes and businesses in Québec. As for **Groupe Vidéotron** it has several **subsidiaries in Canada**, in cable television, telecommunications, television broadcasting and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Its technological know-how acquired with the Vidéoway multimedia system and its UK integrated cable/telephony experience enables it to play a leading role in the development of the information highway.

Thursday, September 25 1997

GRUPE VIDÉOTRON WINS LAWSUIT AGAINST INTERNATIONAL CABLETEL

Le Groupe Vidéotron Itée announced today that it has won a favourable decision in the lawsuit filed by International CableTel Incorporated, a U.S. Company, against **Groupe Vidéotron and a subsidiary, Cable Road Investments Limited**, following the conclusion of the sale of **Videotron Holdings Plc**. The lawsuit was rejected by a New York Federal District Court judge who confirmed that **Groupe Vidéotron's** responsibility, as well as that of its subsidiary Cable Road Investments Limited, was limited to the US \$10 million termination fee owed to International CableTel pursuant to an arrangement between the parties.

In December of 1996, International CableTel has filed a complaint alleging that Cable Road Investments Limited had violated its obligations to negotiate exclusively with International CableTel regarding the proposed sale of its 56% interest in its UK subsidiary, Videotron Holdings Plc. International CableTel sought damages of at least \$84 million for breach of contract, fraud in the inducement and unjust enrichment.

However, in its decision rendered on September 23rd 1997, the Court ruled in favour of **Groupe Vidéotron and its subsidiary**, that had argued that International CableTel was only entitled to a US \$10 million termination fee agreed to with Cable Road Investments Limited in an exclusive arrangement regarding **the negotiations to sell Videotron Holdings Plc**. Cable Road Investments Limited had tried on two occasions, during the Fall of 1996, to pay the termination fee to International CableTel which refused to accept payment.

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Thursday, November 6 1997

WIC AND GROUPE VIDÉOTRON FINALIZE SALE OF CFCF-12

WIC Western International Communications Ltd. and **Le Groupe Vidéotron Ltée** today concluded the acquisition of Montreal television station, CFCF-12.

The acquisition of CFCF was completed by a corporation named **CF Television Inc.**, **70% of which is owned by WIC** and **30% by Capital Communications CDPQ Inc.** In addition to the broadcasting operations of CFCF-12, **CF Television Inc. also acquired 14.2% of the issued shares of the CTV Television Network Ltd.**

WIC President and CEO John Lacey said the Vancouver-based company was delighted to be the new owner of CFCF together with Capital Communications CPDQ Inc. Le Groupe Vidéotron Ltée's President and COO, Claude Chagnon, said he was satisfied that the sale had been completed on schedule and that CFCF-12 could count on the expertise and strength of its new owners.

CFCF-TV services the Montreal extended market, which represents a population base of 5 million.

With the acquisition of CFCF, **WIC now owns** and controls nine television stations including BCTV, CHEK and CHBC in British Columbia, ITV, CICT, RDTV and CISA in Alberta and ONtv in Ontario. WIC Premium TV manages pay-per-view services MovieMax, Superchannel and Viewer's Choice. **The company also owns and manages twelve radio stations and is the majority owner of Canadian Satellite Communications (Cancom). A wireless communications subsidiary, WIC Connexus, is developing the Local Multipoint Communication System in Canada.**

Capital Communications CDPQ Inc. makes private investments in businesses in the communications and telecommunications sector with plans to expand into promising new markets or to consolidate their present position. Its portfolio includes 32 investments with a value close to \$1.2 billion.

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Tuesday, November 18 1997

LE GROUPE VIDÉOTRON LTÉE DECLARES DIVIDEND

The Board of Directors of Le Groupe Vidéotron ltée today declared a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share after payment of the dividend provided for the preferred shares.

The dividend will be payable on December 21, 1997 to shareholders of record on December 1, 1997.

Le Groupe Vidéotron ltée is an international telecommunications company. The Company has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting and in multimedia services development. It develops and operates private cable television and telephony in the United States. Its technological know-how and experience acquired with the Vidéoway multimedia system enables it to play a leading role in the development of the information highway.

Tuesday, November 18 1997

GROUPE VIDÉOTRON : NET INCOME OF \$236.7 MILLION AND A 7.6% INCREASE IN YEAR-END REVENUE FROM ONGOING OPERATIONS

Le Groupe Vidéotron ltée [ME :TSE VDO] recorded net income of \$236,650,000, or \$2.15 per share, and a 7.6% increase in revenue from ongoing operations, excluding the UK activities, for the 1997 fiscal year. The net income figure is compared to a net loss of \$34,933,000 or \$0.34 per share in fiscal 1996 and includes among other things a pre-tax gain of some \$486 million on the disposal of Groupe Vidéotron's investment in its indirect UK subsidiary, Videotron Holdings Plc.

Given the disposal of the UK investment during the first quarter of the 1997 fiscal year, consolidated revenue dipped and totaled \$795,492,000 at fiscal year-end, down from \$846,930,000 in the corresponding twelve-month period of 1996. For the same reason, both income from operations before depreciation and amortization as well as depreciation and amortization followed the downward pattern, falling to \$216,516,000 and \$144,434,000 respectively. On a pro forma basis in which the UK activities are deconsolidated, revenue for the fiscal year that ended on August 31 1997, increased by 7.6% to \$743,226,000 from \$690,694,000. Income from operations before amortization and depreciation rose by 3.3% to \$207,445,000 from \$200,852,000. Amortization and depreciation increased by \$21,138,000 to \$133,694,000.

« Fiscal 1997 was marked by the completion of the strategic moves initiated in 1996, remarked Claude Chagnon, President and Chief Operating Officer of Groupe Vidéotron. We completed the sale of our UK investment, the sale of the CFCF broadcasting subsidiaries, the merging of the CF Cable operations and the set-up of our US operations. From a financial perspective, we benefited from the disposition of assets and more importantly, we continued to derive growth from our Canadian cable television, telecommunications and broadcasting businesses. Furthermore, several subsidiaries launched new services such as Internet access and Indigo pay-per view. »

CANADA - CABLE TELEVISION AND TELECOMMUNICATIONS

For the year ending August 31, 1997, revenue for this sector totaled \$463,454,000, up 9.0% compared to the preceding year. Growth of 2.1% in the number of basic service subscribers, in addition to a slightly higher rate base, the contribution from new French-language pay-per-view services, subscriber growth for Internet access services and strong telecommunications activities contributed to this upswing. With respect to telecommunications activities, Vidéotron Télécom Itée registered a revenue increase of 63.0% compared to the previous fiscal year. Income from operations before depreciation and amortization for the cable television and telecommunications sector reached \$174,055,000, 4.1% higher over 1996.

USA - PRIVATE CABLE

Private cable operations conducted through OpTel, Inc., an indirectly 74.6% owned US subsidiary, posted 45.5% higher revenue, at \$54,796,000 for the fiscal 1997, as it continued to add subscribers in the selected US cities in which it operates. Since August 31 1996, cable television subscribers increased by 18.4% and the number of telephone lines rose by 58.5%, reaching, respectively, 52.5% and 48.1% penetration levels in units passed.

The sector, which was in a start-up phase, incurred an operating loss before depreciation and amortization of \$4,519,000 for fiscal 1997, compared to a loss of \$2,798,000 reported at the end of fiscal 1996.

CANADA - TELEVISION BROADCASTING

Télé-Métropole posted revenue of \$196,889,000 at year-end, a 7.0% increase over fiscal 1996. Strong Fall 1996 viewership ratings contributed to this increase. Income from operations before depreciation and amortization reached \$41,852,000, a 18.9% rise over the previous year.

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Monday, November 24 1997

VIDÉOTRON TÉLÉCOM ACKNOWLEDGES \$2.5 MILLION GRANT UNDER THE TRANSITIONAL JOBS FUND

Vidéotron Télécom Itée (VTL), a subsidiary of Le Groupe Vidéotron Itée, today acknowledged reception of a federal grant of \$2.5 million under the Transitional Jobs Fund by hosting The Honorable Pierre Pettigrew, Federal Minister of Human Resources Development and Louise Harel, State Minister for Employment and Solidarity and Mr. Pierre Bourque, Mayor of Montreal, at its new network management and switching premises.

The subsidy, granted by the Ministry of Human Resources Development of Canada under the Transitional Jobs Fund, covers a period of about two years and calls for the payment of \$2.5 million in two lump sums: \$1 million for the first year and \$1.5 million for the following year. Subsidies granted under this program are to meet priority local needs and to create long-term jobs or those that contribute to laying the foundation for permanent job development activities.

The nature of the jobs created are that of a company experiencing sustained growth, and they cover all facets of its operations, including network development, construction and maintenance, as well as business development and administrative and organizational support. Many of the new employees are thus entering the workforce for the first time after completing professional or technical studies and will benefit from quality on-the-job training. In fact, reflecting the industry of the future in which it operates, Vidéotron Télécom at present relies on a young workforce, with the average age of employees being 30 years.

The \$2.5 million subsidy will enable Vidéotron Télécom to accelerate investments it intends to make to support its entry into the new competitive local telephony services market. The direct impact of this subsidy will be the creation of 500 sustainable jobs over a two-year horizon instead of over a period of three or four years. The assistance granted to Vidéotron Télécom is in the range of \$5,000 per job created.

In recent years, **Vidéotron Télécom** has benefited from the sustained growth of the Canadian telecommunications industry. From a level of 40 employees in 1994, the Company quadrupled its workforce until 1996. Since its entry into new premises located on Pie IX Boulevard in the east end of Montreal in January 1997, the workforce has grown from 175 to 360 employees as of today, confirming VTL's focus on setting up and developing an organization to meet the competitive challenges of the switched services market. Specifically, since the subsidy was granted at the beginning of last July, more than 10% or 65 of the 500 jobs expected under the agreement have already been created, which represents a rate of approximately one job created per working day since then.

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Monday, November 24 1997

VIDÉOTRON TÉLÉCOM: THE EMERGING FORCE IN QUÉBEC TELECOMMUNICATIONS

While achieving exceptional growth in both operations and number of employees, **Vidéotron Télécom Itée (VTL)** has seen progress on several fronts in recent months which confirms its determination to seek out a choice position in the Québec telecommunications marketplace.

Among the important milestones reached over the past few months, **Vidéotron Télécom acquired Lucent switches** which will enable it to enter the local telephony market and, last July 18, it registered with the Canadian Radio-television and Telecommunications Commission (CRTC) as a long distance service provider. On September 18, the CRTC recognized VTL as the first company to apply for and obtain recognition as a competitive local exchange carrier (CLEC) in Canada. This status opens the door into local telephony for VTL which is already a Canadian facility-based common carrier under CRTC jurisdiction. Finally, a few days ago, on November 17, VTL engaged in a Canadian first when it began the local telephone number portability trial process. Number portability is an essential feature for effectively entering the local telephony market.

Today, the VTL network comprises more than 4,000 km of fiber optic cables in a territory which serves 90% of the Québec population. In addition to its inter-city networks which link the major centers, VTL has established powerful and dense urban networks. In Greater Montreal, for example, its network comprises 1,000 km of fiber optic cables and directly links more than 150 downtown buildings.

For more than six years, VTL has been offering point-to-point telecommunications services to large users, carriers and resellers. It has interconnection agreements with national and international carriers, including Stentor member companies as well as Teleglobe and Telesat. VTL uses SONET transmission equipment manufactured in Quebec by Nortel as well as ATM switching equipment of the latest technology. In fact, VTL already offers long distance services to its 360 employees on a test basis.

These milestones and building blocks contribute in making **Vidéotron Télécom** a credible and determined emerging force in the Québec telecommunications market.

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Tuesday, December 2 1997

DEAL STRUCK BETWEEN VIDÉOTRON AND MOFFAT COMMUNICATIONS: VIDÉOTRON'S EDMONTON AND REGIONAL ALBERTA CABLE SYSTEMS CHANGE HANDS

Le Groupe Vidéotron Itée and **Moffat Communications Limited** announce they have reached an agreement providing for the sale by Vidéotron Itée of its Alberta cable television systems to Videon CableSystems Inc., a Moffat Communications subsidiary, for approximately \$295 million (subject to adjustments).

Videotron's Alberta assets that will be acquired by **Videon CableSystems** currently comprise some 112,000 subscribers in Greater Edmonton and 40,000 others in 24 regional communities, some 2,200 high speed Internet access subscribers, as well as **business telecom activities**.

« For Vidéotron Itée, the sale of the Alberta operations stems from its desire to increasingly focus on the Québec market, commented **Claude Chagnon, President and Chief Operating Officer of Groupe Vidéotron**. With the opening up of the telecommunications market, **Vidéotron** sees enormous growth potential and it wants to deploy all the efforts and resources needed to successfully gain an enviable position in the Québec telecom market. »

Commenting on the agreement, **Randy Moffat, President of Moffat Communications Limited**, stated : « We are delighted with the acquisition since it allows us to expand our service territory and to set foot in Alberta. Moreover, we are acquiring one of the most technically advanced cable systems in North America in a market with renewed dynamic growth. »

The agreement is subject to the non-objection of the Competition Bureau and to the approval of the **Canadian Radio-television and Telecommunications Commission**. **An application will be filed with the CRTC within thirty days**. TD Securities Inc. acted as financial advisor for Vidéotron in the sale of the assets.

Le Groupe Vidéotron Itée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. **Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience**. Its subsidiary Vidéotron Ltée is among the largest cable television companies in Canada, with more than 1.4 million subscribers in an area covering 1.6 million homes in Quebec. In addition to basic cable, the Company offers Videoway interactive services as well as phone and cable-modem Internet access.

Moffat Communications Limited has substantial interests in cable television systems in Canada and the United States, namely, **Videon CableSystems Inc**, which owns and operates cable television systems in **Winnipeg, Northern Manitoba and Northwestern Ontario ; Kingwood Cablevision, Inc. and Lakewood Cablevision near Houston, Texas ; Palm Coast Cablevision, Ltd. in Palm Coast, Florida and Florida Satellite Network Ltd. (81.5% owned) near Tampa, Florida**. The Corporation also owns 68.1% of WTN, a nationally distributed specialty network and CKY-TV in Winnipeg.

Tuesday, December 9 1997

LIFE SAFETY : A PROGRAM DESIGNED TO ENHANCE PUBLIC AWARENESS ON PREVENTION AN INITIATIVE OF VIDÉOTRON TÉLÉSURVEILLANCE

With the setting up of the Life Safety program, **Vidéotron Télésurveillance** has demonstrated its interest in the safety and protection of Québécois. Life Safety, is the result of a partnership with the Canadian Association of Fire Chiefs, Québec Poison Control Centre, the Québec Division of the Canadian Red Cross and Block Parent (Parents-Secours), a comprehensive personal awareness and prevention program designed for use in and out of the home.

Vidéotron Télésurveillance advisers are currently offering Québec families a free kit which includes an exclusive series of detailed, informative brochures prepared by Life Safety partners:

- advice on fire prevention;
- guide to draw up a fire escape plan;

- safety instructions for children when alone outside the home;
- helpful tips on how to prevent poisoning;
- suggestions on how to be street smart, prevent burglaries, assault, etc.

These informative components make the Life Safety kit the perfect personal safety and prevention reference tool.

As Mr. Daniel Demers, President of Vidéotron Télésurveillance pointed out: «Although most of us do have some basic notions of safety, few of us enjoy ready access to all the information we need to face potentially risky situations. For the first time ever, the expertise developed by these leading organizations has been grouped together into a comprehensive, easy-to-consult kit.»

MAKING SAFETY AND PREVENTION SECOND NATURE

The Life Safety program aims to encourage Québec families to make safety and prevention second nature by remaining alert to and learning how to avoid putting themselves in situations of unnecessary risk. In the opinion of Mr Miguel Valero, Corporate Director of Sales and Marketing for Vidéotron Télésurveillance,

« All families reached by the Life Safety program should take time to sit down, thoroughly study the contents of the brochures, and work together to set up their own prevention habits. So many unfortunate incidents could be prevented if people were properly prepared and knew what to do in the circumstances. »

Vidéotron Télésurveillance intends to reach 20 000 Québec households during the first phase of the operation scheduled to be completed by the end of 1998. All current and potential clients will systematically receive a kit. Copies can be obtained either by contacting one of the program partners or by calling Vidéotron Télésurveillance directly at 1-888-825-3789. Advisers specially trained by Vidéotron Télésurveillance will visit families in their homes to explain kit contents and recommend the means of maximizing and personalizing use of the information.

A division of a subsidiary of Le Groupe Vidéotron Itée, Vidéotron Télésurveillance is the exclusive distributor of the First Alert Professional Security System, the most popular residential security system in North America.

Source: Miguel Valero, Vidéotron Télésurveillance, (514) 865-4448

Information: Isabelle Perras, DIRECTION Strategic Communications, (514) 765-3775

Thursday, December 11 1997

BANKING SYNDICATE SIGNS CDN \$ 800 MILLION FINANCING WITH VIDÉOTRON

Le Groupe Vidéotron Ltée announces that its Canadian cable television subsidiaries, Vidéotron Ltée and CF Cable TV Inc., obtained an unsecured revolving reducing credit facility of **CDN \$800,000,000 from a syndicate of 15 Canadian banks.**

The banking syndicate, led by The Toronto-Dominion Bank, is made up of Royal Bank of Canada, The Bank of Nova Scotia, National Bank of Canada, ABN-AMRO Bank Canada, Bank of America Canada, Canadian Imperial Bank of Commerce, Société Générale (Canada), Banque Nationale de Paris (Canada), Citibank Canada, (The Quebec Investment and Deposit Bank) (French - La Caisse centrale Desjardins du Québec), Bank of Montreal, Crédit Suisse First Boston Canada, Fuji Bank Canada and The Chase Manhattan Bank of Canada. The Toronto-Dominion Bank will act as administrative agent, Royal Bank of Canada as syndication agent, The Bank of Nova Scotia as documentation agent and National Bank of Canada as facility agent.

The amounts available under the credit will be used for the general corporate purposes of the borrowers, including the refinancing of Vidéotron Ltée and CF Cable TV Inc.'s existing bank loans and the redemption of Vidéotron Ltée's US debt. For such purpose, Vidéotron Ltée has given the trustee instructions to send a redemption notice to all holders of the Senior Subordinated Notes of US \$150,000,000, bearing interest at the rate of 10.25% and maturing in 2002. The redemption scheduled for January 10, 1998, will be at a 105% of the nominal value, plus accrued interest at the date of redemption.

Le Groupe Vidéotron Itée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Thursday, December 18 1997

UBI CONSORTIUM ANNOUNCES END OF OPERATIONS

The **UBI Consortium** announces that it will be dissolved as of December 31, coinciding with the end of Phase I of its pilot project which currently links close to 20,000 homes in the Saguenay region.

The **UBI Consortium**, whose partners are **National Bank of Canada, Hydro-Québec, Loto-Québec, The Hearst Corporation, Canada Post** and **Groupe Vidéotron**, began implementing the commercial test last April. The main goals of this test phase were to gain a better understanding of television as an interactive medium capable of offering a form of electronic commerce, to measure the interest of consumers and service providers and to test the robustness of a cable television network with widely-implemented bidirectional capability. In this regard, the commercial testing of **UBI** was a rich learning experience for all the **consortium partners**.

For most of the partners, participation in **the UBI project fell within the scope of research and development activities**. From this commercial test, the various partners can draw information that will prove useful in their understanding of the information highway, the medium of interactive television and consumers' reaction to this medium.

"UBI was a good pilot project for all the partners and a test laboratory for service providers," said André Chagnon, Chairman of the **UBI Consortium**. "For many, it constituted a first experience with interactive television, and the results showed them that the medium offers many advantages visually, in terms of multimedia, and as a product showcase. The printer, which was an integral part of the UBI equipment in the home, lent new power to a television advertiser's message by allowing the consumer to react immediately. The experiment will also have taught us the importance users give to useful, pertinent and value added content and services."

The **UBI commercial test**, and more particularly the qualitative and quantitative analysis period, will have lasted eight months and offered Saguenay region residents a variety of interactive and transactional services, from electronic advertising fliers and bulletin boards to home shopping. Over 87 service providers will have participated, including government and municipal services, and some 130 different services were offered to participating Saguenay homes.

Though the test is coming to an end, **two partners-Hydro-Québec and Vidéotron Ltée**, will continue to offer services to UBI-equipped homes. **Hydro-Québec** will pursue its home energy management pilot project, with 400 participating homes, until the end of the present home heating season in spring 98. **The 215 Saguenay homes that are already equipped will continue to use the UBI terminal and its alpha-numeric remote at no cost.** The television remains the interface by which clients will program **Hydro-Québec's** home energy system to self-manage heating and electrical appliances. Furthermore, **Vidéotron Ltée**, for whom the test proved its network's reliability and capability to simultaneously support various technologies, including bidirectional capability, will continue to **use UBI equipment** to offer, among other things, Videoway interactive services and games.

Friday, January 16 1998

MOODY'S ASSIGNS INVESTMENT GRADE RATING TO VIDÉOTRON LTÉE

Le Groupe Vidéotron ltée announces that Moody's Investors Service has assigned a Baa3 rating, an investment grade category, to the senior debt of **its cable television subsidiary, Vidéotron ltée**. As a result of this assignment, **Vidéotron ltée** stands out **as the first Canadian cable television company** and one of the few in North America to benefit from a Moody's investment grade rating. Furthermore, **CF Cable TV Inc.**, another cable TV **subsidiary of Groupe Vidéotron**, has received the following debt upgrades from Moody's : the US\$100 million First Priority Secured Notes from Ba2 to Ba1, and the US\$110 million Second Priority Secured Notes from B1 to Ba2. Finally, the agency has confirmed the Ba3 rating of **the US\$ 200 million** structurally subordinated holding company debt of **Groupe Vidéotron**.

The debt review was brought on by changes in debt levels stemming from **Groupe Vidéotron's** disposal of **its UK investment and its acquisition of CF Cable TV**. Both **Vidéotron ltée** and **CF Cable TV** upgrades also reflect **Groupe Vidéotron's** strategic focus in building on its lead position as cable TV operator in Québec and in upgrading the cable networks to offer new services and to effectively compete against new entrants in the cable TV and telecommunications markets. The focus on positioning was further demonstrated by the recent announcement of the sale of its Alberta systems.

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« We are very satisfied with these ratings as they recognize the strength of our balance sheet and they reinforce our resolve to maintain conservative financial policies,» commented Claude Chagnon, President and Chief Operating Officer of Le Groupe Vidéotron Itée.

Le Groupe Vidéotron Itée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Monday, January 19 1998

GROUPE VIDÉOTRON : SOLID FIRST QUARTER EBITDA INCREASE OF 31.7%

Le Groupe Vidéotron Itée [ME :TSE VDO] recorded a 31.7 % increase in income from operations before depreciation and amortization (EBITDA) for the first quarter of fiscal 1998 compared to the previous year. All operating sectors contributed to this performance.

Consolidated revenue for the first quarter ended November 30, 1997, totalled \$253,226,000, increasing 6.1% compared to \$238,696,000 in the corresponding period of fiscal 1997. EBITDA rose by \$20,507,000, reaching \$85,160,000 compared to \$64,653,000 in the previous year.

On a pro-forma basis, where UK operating results are excluded and CF Cable TV Inc. results included, consolidated revenue for the first quarter increased by \$28,427,000 or 12.6%, and EBITDA by \$14,240,000 or 20.1% compared to the year-ago first quarter. The performance on the revenue side stems mainly from the following areas : cable TV and telecommunications in Canada for \$14,263,000, broadcasting for \$8,677,000 and private cable in the U.S. for \$4,828,000. Half of the pro-forma EBITDA increase came from the Canadian cable TV and telecommunications sector and close to a third from the broadcasting sector.

Amortization and depreciation totalled \$47,456,000, 13.9% higher than the 1997 first quarter with the difference being accounted for both by the US and the Canadian cable TV and telecommunications operations. On a pro-forma basis, it reached \$39,680,000.

Financial charges remained virtually unchanged in each quarter, though \$3,148,000 lower on a pro-forma basis.

The net loss for the first quarter of fiscal 1998 was \$5,312,000 or \$0.05 per share, a significant improvement over the net loss of \$10,403,000 or \$0.11 per share recorded in the first quarter of fiscal 1997.

"During the first three months of our fiscal year, we experienced solid growth in all of our operating sectors, explained Claude Chagnon, President and Chief Operating Officer of Le Groupe Vidéotron Itée. This performance confirms our management teams' focus on operations and on delivering growth.

CANADA - CABLE TELEVISION AND TELECOMMUNICATIONS

Revenue jumped 47.5% to \$163,396,000 over the \$110,762,000 recorded in the first three months of fiscal 1997. Income from operations before depreciation and amortization followed the same trend rising 55.1 % to \$64,503,000 compared to \$41,567,000 in 1997.

This performance stems from an increase in the number of subscribers and in the basic service fee, from the introduction of tiering and from the consolidation of CF Cable TV Inc. On November 30, 1997, the company had 1,709,348 basic service subscribers, of which 1,322,280 signed up for the tier, 269,256 for Vidéoway services, and 230,182 for Pay-TV. It also had 42,902 residential on-line service subscribers.

USA - PRIVATE CABLE

In the U.S., increased business activity during the first quarter of fiscal 1998 contributed to a 39.1 % rise in revenue to \$17,171,000 compared to \$12,343,000 for 1997. The sector recorded income from operations before depreciation and amortization of \$265,000 compared to \$307,000 the previous year. Several developments marked the period, such as [OpTel's acquisition of a private cable operator in Houston](#), a market where it launched competitive switched telephone services. At quarter-end, OpTel had 170,646 cable TV subscribers and 8,306 telephone lines in areas where service was available, for penetration levels of 54.2% and 48.5%, respectively.

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CANADA - TELEVISION BROADCASTING

Revenue for the first quarter of fiscal 1998 was 15.5% higher, to \$64,513,000 from \$55,836,000 a year ago, as a result of a buoyant advertising market and, to a lesser extent, to the recent Canal Nouvelles speciality channel launch. Income from operations before depreciation and amortization totalled \$19,647,000, compared to \$15,331,000 the previous year.

CORPORATE DEVELOPMENT

Furthermore, on January 10, 1998, Groupe Vidéotron's cable TV subsidiary, Vidéotron Itée, completed the redemption of its US \$150,000,000 Senior Subordinated Notes bearing interest at 10.25 % and maturing in 2002. The redemption was made at 105% of the nominal value, plus accrued interest at the date of redemption.

Le Groupe Vidéotron Itée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Its technological know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience enables it to play a leading role in the development of the information highway.

Friday, January 23 1998

GROUPE VIDÉOTRON AND REGIONAL CABLESYSTEMS INK DEAL FOR NORTHERN ONTARIO AND QUÉBEC CITY AREA CABLE TV SYSTEMS

Le **Groupe Vidéotron Itée** and **Regional Cablesystems Inc.** announce that they have reached an agreement providing for the sale by **CF Cable TV Inc.**, a wholly owned **subsidiary of Groupe Vidéotron, of its northern Ontario cable TV systems to Regional Cablesystems Inc** for approximately \$121 million (subject to adjustments). Simultaneously, and as a condition to close **the Northern Ontario cable TV systems** transaction, **Vidéotron Itée** has agreed to purchase, from **Regional Cablesystems**, its Québec-based systems located in the Côte de Beaupré/Île d'Orléans area for approximately \$9 million (subject to adjustments).

Groupe Vidéotron's Northern Ontario assets that will be acquired by **Regional Cablesystems** currently comprise some 101,500 subscribers in Sudbury, Timmins and 73 other Northern Ontario communities. **Regional Cablesystems'** assets in the Côte de Beaupré/Île d'Orléans area comprise some 6,900 subscribers and are contiguous to **Vidéotron's** present systems in the Québec capital region.

As explained **Claude Chagnon, President and Chief Operating Officer of Groupe Vidéotron**, «Clustering is the cornerstone of our strategy. It will enable us to effectively deploy the efforts and resources required to seize the growth potential that comes with the opening of the telecommunications market. This has led to our focus on the Québec market where our position as largest networked cable TV operator is reinforced by leadership in the telecommunications transport, on-line access services and broadcasting.» **Groupe Vidéotron's** sale of the Northern Ontario operations comes less than two months after the sale of **the Alberta systems**.

Commenting on the agreement, **Gary Kain, Chairman of Regional** stated : « We are extremely excited with our acquisition as it solidifies Regional's position as the preeminent cable television provider in Canada's non-urban markets. Moreover, we are acquiring cable systems that are technically advanced and well positioned to take advantage of the vast opportunities presented by the increasing number of new specialty channels.»

Regional expects to fund the purchase price with a combination of the proceeds from a previously announced sale of its common shares to **Canadian Satellite Communications Inc. (Cancom)**, the proceeds of a pending public offering of its common shares and borrowing.

Both agreements are subject to the **non-objection of the Competition Bureau** and to the approval of the **Canadian Radio-television and Telecommunications Commission**. An application will be filed promptly.

TD Securities Inc. acted as financial advisor for **Groupe Vidéotron** in the sale of the assets.

Le **Groupe Vidéotron Itée** is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience. More specifically in Québec, its subsidiaries **Vidéotron Itée and CF Cable TV Inc.** together have more than 1.4 million subscribers in an area covering 1.6 million homes and, in addition to basic cable, offer **Videoway interactive services as well as phone and cable-modem Internet access**.

Regional, which is in the business of operating cable television systems in non-urban markets throughout Canada, currently provides service to approximately 116,000 subscribers. Following the closing of this transaction, it will serve in excess of 210,000 subscribers and become Canada's sixth largest cable operator. **Regional, a widely held public company** whose shares trade on the **Canadian Dealing Network (Symbol: REGC)**, will hold its annual shareholder meeting on January 29, 1998 at 11:00 a.m. at the Royal York Hotel in Toronto.

Wednesday, February 18 1998

LE GROUPE VIDÉOTRON LTÉE DECLARES A DIVIDEND

The Board of Directors of Le Groupe Vidéotron Itée today declared a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share after payment of the dividend provided for the Second Preferred Shares, Series A.

The dividend will be payable on March 21, 1998 to shareholders of record on March 1, 1998.

Le Groupe Vidéotron Itée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Wednesday, April 1 1998

STRONG PERFORMANCE ACROSS THE BOARD RESULTS IN 41.1% INCREASE IN INCOME FROM OPERATIONS BEFORE DEPRECIATION AND AMORTIZATION FOR THE FIRST SIX MONTHS

"Groupe Vidéotron and its subsidiaries maintained their momentum through the second quarter, confirming management's continued focus on meeting growth objectives," said **Claude Chagnon, President and Chief Operating Officer of Groupe Vidéotron**. **"Furthermore, an encouraging highlight is that our relatively young operations in the Unites States recorded a positive income from operations before depreciation and amortization for the first time, and are developing faster than we previously experienced in the United Kingdom."**

For the first six months ended February 28, 1998, Le Groupe Vidéotron Itée [ME, TSE: VDO] posted consolidated revenue of \$496,099,000, a 19.4% increase from \$415,662,000 for the same period last year. Income from operations before depreciation and amortization was \$157,374,000, up 41.1% from \$111,505,000 as at February 28, 1997.

On a proforma basis (excluding results from the UK subsidiary and including results from CF Cable TV Inc.), revenue for the first six months increased by \$55,286,000, or 12.5%, compared to the same period last year. **Income from operations before depreciation and amortization increased by \$23,834,000, or 17.9%. The increase in revenue is mainly attributable to three sectors: cable television and telecommunications in Canada (\$32,857,000); private cable television in the United States (\$12,833,000); and television broadcasting (\$7,497,000).** The increase in proforma income from operations before depreciation and amortization was distributed throughout all sectors, including "Other services" which encompass SuperClub Vidéotron and Protectron.

Net loss before extraordinary item for the first six months of 1998 was \$37,010,000, or \$0.34 per share, compared to net income of \$279,306,000 or \$2.55 per share for the same period in 1997, during which Groupe Vidéotron included in its results the gain from the disposal of its UK investment. A large portion of the net loss stems from the payment of \$26,861,000 representing a redemption premium and other amounts relating to the early retirement of Vidéotron Itée's \$150,000,000 US Senior Subordinated Notes.

The decision to redeem the Notes will provide Vidéotron Itée with yearly savings of about \$8,500,000. As a result of the 1998 January ice storm in Quebec, Groupe Vidéotron also posted an extraordinary loss of \$13,695,000 considering provisions taken for unforeseen costs to be incurred subsequent to this event. Net of income tax savings, the extraordinary loss amounted to \$8,452,000 or \$0.08 per share. Taking into account this extraordinary item, net loss for the first six months of 1998 was \$45,462,000, or \$0.42 per share, compared to net income of \$279,306,000 or \$2.55 per share for the same period in 1997.

CABLE TELEVISION AND TELECOMMUNICATIONS - CANADA

Revenue from this sector surged by 48.9%, reaching \$335,613,000 for the six months ending February 28, 1998, compared to \$225,337,000 for the same period last year. Income from operations before depreciation and amortization followed the same trend, increasing by 48.9% to reach \$124,595,000, compared to \$83,683,000 for the same period in 1997. This performance is largely attributable to the introduction of tiering, the increase in the number of subscribers and the consolidation of results from CF Cable TV Inc.

PRIVATE CABLE TELEVISION - UNITED STATES

Revenue from US. operations increased by 50.6% to reach \$38,184,000, and the sector produced, for the first time, income from operations before depreciation and amortization of \$1,531,000, compared to a net loss of \$309,000 for the six months ended February 28, 1997. This was achieved through the integration following acquisition of a [Houston-based private cable television operations and the start-up of competitive switched telephony services.](#)

TELEVISION BROADCASTING - CANADA

Revenue for this sector was \$106,480,000, a 7.6% increase over the same period in 1997. Income from operations before depreciation and amortization jumped ahead by 26.3% to \$28,168,000, compared to \$22,303,000 for the same period last year.

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Tuesday, April 21 1998

LE GROUPE VIDÉOTRON LTÉE DECLARES A DIVIDEND

The Board of Directors of Le Groupe Vidéotron Itée today declared a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share after payment of the dividend provided for the Second Preferred Shares, Series A.

The dividend will be payable on June 21, 1998 to shareholders of record on June 1, 1998.

Le Groupe Vidéotron Itée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Tuesday, May 12 1998

VIDÉOTRON LTÉE'S REDEEMS ITS \$45,5 MILLION ISSUE OF 12% SENIOR SECURED DEBENTURES SERIES A

[Le Groupe Vidéotron Itée](#) announced today that [Vidéotron Itée, its wholly-owned cable television subsidiary](#), will redeem its 12% senior secured debentures, Series A maturing in 2000. [These Vidéotron Itée debentures, issued on April 1, 1990, will be redeemed on June 12, 1998, at a price of approximately \\$110,74 per \\$100 of face value, together with accrued and unpaid interest from the last date of payment.](#)

This redemption is part of a corporate strategy to restructure the Company's debt instruments in line with its "investment grade" rating with Canadian and American credit agencies.

Le Groupe Vidéotron Itée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Friday, June 5 1998

VIDÉOTRON LTÉE ENTERS INTO AN AGREEMENT FOR THE ISSUANCE OF \$100M OF 6.25% SENIOR NOTES DUE 2008

Le Groupe Vidéotron Ltée announced today that Vidéotron Ltée, its wholly-owned cable television subsidiary, has entered into an agreement for the issue by Vidéotron of \$100 million of 6.25% of Senior Notes due 2008. The underwriters of this issue are RBC Dominion Securities Inc., TD Securities Inc., ScotiaMcLeod Inc., [Lévesque Beaubien Geoffrion Inc.](#) and CIBC Wood Gundy Securities Inc. The issue price is \$997.50 per \$1000 note thereby giving a yield to maturity of 6.28%.

The Notes will be senior unsecured general obligations of Vidéotron, ranking equally with other unsecured unsubordinated obligations of Vidéotron, including its bank financing.

The Notes will be sold to investors pursuant to private placement exemptions under applicable securities legislation and will therefore be subject to certain resale restrictions until their expected exchange with Exchange Notes, which will have substantially identical terms. Vidéotron has agreed that it will make an offer to exchange the Notes for Exchange Notes and to use its best efforts to qualify the Exchange Notes by prospectus in all provinces of Canada.

The net proceeds from the issue and sale of the Notes will be used by Vidéotron to pay the redemption price for the outstanding \$45.5 million 12% Senior Secured Series A Debentures due 2000 and, as for the balance, to repay borrowings under its bank facility.

[Le Groupe Vidéotron](#) Ltée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

[Vidéotron](#) is the second largest cable television company in Canada in terms of number of subscribers and derives its revenues principally from the monthly fees paid by subscribers for its basic and extended basic cable services.

Tuesday, June 8 1998

GROUPE VIDÉOTRON'S U.S. SUBSIDIARY OPTEL PLANS OFFERING OF \$100 MILLION IN CLASS A COMMON STOCK

[Le Groupe Vidéotron Ltée](#) announces that [OpTel Inc.](#), its subsidiary in the United States, has filed with the Securities and Exchange Commission a registration statement for a primary offering of shares of its Class A Common Stock for aggregate gross proceeds of approximately US \$100 million. The proceeds will be used for capital expenditures related to the purchase and installation of communications equipment and for general corporate purposes, including working capital related to its expansion into new markets.

The offering will be made only by means of a prospectus.

[Le Groupe Vidéotron Ltée](#) is an international communications company. It has several subsidiaries in **Canada**, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. [Groupe Vidéotron](#) is a leader in the **development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.**

Monday, June 15 1998

GROUPE VIDÉOTRON ACQUIRES INCOTEL

Le Groupe Vidéotron Ltée announced that it acquired, through a subsidiary, the business telephone terminal sales, installation and service division of Incotel Technologies Inc. and two of its subsidiaries. For Groupe Vidéotron this acquisition is in line with the enterprise's strategy of ensuring higher penetration of the business telephony market in Québec. This acquisition allows Groupe Vidéotron to extend its line of telecommunications products, gain leading-edge telecommunications expertise and benefit from a Québec-wide distribution network.

The new business telephony subsidiary will operate under the name Vidéotron-Incotel.

In addition to its business telephone terminal operations, Vidéotron-Incotel is also present in interactive voice services and voice messaging. The new division presently employs approximately 60 people and has close to 5,000 customers, mainly in small and medium-sized enterprises. A large part of its customer base is in the health and social services and financial institutions sectors.

Le Groupe Vidéotron Ltée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Tuesday, June 16 1998

VIDÉOTRON LTÉE COMPLETES THE ISSUANCE OF ITS \$100M 6.25% SENIOR NOTES DUE 2008

Le Groupe Vidéotron Ltée announced today that Vidéotron Ltée, its wholly-owned cable television subsidiary, has completed the issue of \$100 million of 6.25% of Senior Notes due 2008 (the "Notes") at a price of \$997.50 per \$1,000 Note. Vidéotron Ltée has undertaken to offer to exchange the Notes for new notes with terms substantially identical to the Notes and qualify these new notes for resale in all Canadian provinces.

The net proceeds from the issue and sale of the Notes will be used to pay the redemption price for the outstanding \$45.5 million 12% Senior Secured Series A Debentures due 2000 of Vidéotron Ltée and, as for the balance, to repay borrowings under its bank facility.

Le Groupe Vidéotron Ltée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Vidéotron Ltée is the second largest cable television company in Canada in terms of number of subscribers and derives its revenues principally from the monthly fees paid by subscribers for its basic and extended basic cable services.

Monday, June 29 1998

VIDÉOTRON LTÉE FILES A PRELIMINARY PROSPECTUS IN RESPECT OF NEW \$100M 6.25% SENIOR NOTES DUE 2008

Le Groupe Vidéotron Ltée announced today that Vidéotron Ltée, its wholly-owned cable television subsidiary, has filed a preliminary prospectus to qualify its new \$100M 6.25% Senior Notes due 2008 (the "Exchange Notes") for distribution in all Canadian provinces. The Exchange Notes will be offered to holders of the outstanding \$100M 6.25% Senior Notes due 2008 issued on June 16, 1998 in connection with an exchange offer which Vidéotron Ltée has undertaken to make. The terms of the Exchange Notes are identical in all material respects to those of the outstanding Notes, except for certain transfer restrictions and prospectus qualification rights.

Vidéotron Ltée will not receive any proceeds in respect of the Exchange Notes. It has already received the proceeds from the outstanding Notes.

Le Groupe Vidéotron Ltée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Le Groupe Vidéotron Ltée is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Vidéotron Ltée is the second largest cable television company in Canada in terms of number of subscribers and derives its revenues principally from the monthly fees paid by subscribers for its basic and extended basic cable services.

Tuesday, June 30 1998

VIDÉOTRON LTÉE FILES A PRELIMINARY PROSPECTUS IN RESPECT OF NEW \$100M 6.25% SENIOR NOTES DUE 2008

Le Groupe Vidéotron Ltée announced today that Vidéotron Ltée, its wholly-owned cable television subsidiary, has filed a preliminary prospectus to qualify its new \$100M 6.25% Senior Notes due 2008 (the "Exchange Notes") for distribution in all Canadian provinces. The Exchange Notes will be offered to holders of the outstanding \$100M 6.25% Senior Notes due 2008 issued on June 16, 1998 in connection with an exchange offer which Vidéotron Ltée has undertaken to make. The terms of the Exchange Notes are identical in all material respects to those of the outstanding Notes, except for certain transfer restrictions and prospectus qualification rights.

Vidéotron Ltée will not receive any proceeds in respect of the Exchange Notes. It has already received the proceeds from the outstanding Notes.

Le Groupe Vidéotron Ltée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Le Groupe Vidéotron Ltée is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Vidéotron Ltée is the second largest cable television company in Canada in terms of number of subscribers and derives its revenues principally from the monthly fees paid by subscribers for its basic and extended basic cable services.

Tuesday, June 30 1998

OPTEL, INC. GROUPE VIDÉOTRON'S AMERICAN SUBSIDIARY, CONCLUDES PRIVATE FINANCING
Le Groupe Vidéotron Ltée announced today that its American subsidiary, OpTel, Inc. has completed a private financing of US \$ 200,000,000 of Senior Notes due 2008.

The Senior Notes bearing interest at 11.5% will mature in 2008 and will pay interest semi-annually. The proceeds from the offering will be used to refinance OpTel's Senior Credit Facility and will be used for capital expenditures related to the purchase and installation of communications equipment and for general corporate purposes, including working capital related to its expansion into new markets.

OpTel is a leading network based provider of integrated communications services, including local and long distance telephone and cable television services, to residents of multiple dwelling units in the United States. The company currently provides cable television and telecommunications services in several metropolitan areas including Los Angeles, San Diego, San Francisco, Phoenix, Denver, Houston, Dallas-Fort Worth, Austin, Chicago, Indianapolis, Atlanta, Miami-Fort Lauderdale, Tampa and Orlando.

Le Groupe Vidéotron Ltée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of **the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.**

Friday, July 3 1998

GROUPE VIDÉOTRON : EBITDA INCREASE BY 40.9%

For the first nine months of fiscal 1998, Le Groupe Vidéotron Ltée (ME, TSE: VDO) recorded a 40.9% increase over the corresponding period of fiscal 1997 in operating income before depreciation and amortization (EBITDA). All operating sectors contributed to this performance.

Consolidated revenue for the nine months ended May 31, 1998 reached \$770,998,000, up from \$615,285,000 for the corresponding period of fiscal 1997 — an increase of 25.3%. EBITDA was \$244,185,000, compared to \$173,265,000 in the first nine months of fiscal 1997.

On a pro forma basis (excluding results from the divested UK subsidiary and including results from the acquired CF Cable TV Inc.), consolidated revenue for the first nine months increased by 13.4%, and EBITDA by 15.1%, compared with the corresponding period a year ago.

This increase in pro forma revenue is mainly attributable to cable television and telecommunications in Canada (+\$49,738,000), private cable in the U.S. (+\$24,084,000) and broadcasting (+\$14,786,000).

Depreciation and amortization rose from \$107,107,000 to \$147,920,000, a 38.1% increase largely attributable to the consolidation of CF Cable TV. On a pro forma basis, depreciation and amortization increased by \$21,767,000, more than \$12 million of which is a consequence of expansion in the US, and \$8 million from the ongoing network upgrade in Canada.

Financial expenses rose by \$29,873,000, or 39.9%. On a proforma basis, the increase was \$7,164,000 or 7.3%, as a result of a higher indebtedness for OpTel, the American subsidiary.

Non recurring items include a gain of \$19,744,000 on dilution upon issuance of common shares by OpTel, Inc. as partial consideration for the acquisition of ICS, and the premium and write-off of financing charges of \$26,861,000 upon the early redemption of long-term debt.

All these elements together amounted to a net loss before extraordinary item of \$30,875,000 (\$0.28 per share) for the first nine months of 1998, compared with net income of \$280,756,000 (\$2.56 per share) for the same period in 1997, during which Groupe Vidéotron included in its results the gain on the disposal of its UK investment.

An extraordinary item of \$8,452,000, net of income tax, was posted during the second quarter of fiscal 1998, to account for the costs brought about by the ice storm that hit Eastern Canada in January 1998. Taking this extraordinary item into account, net loss for the first nine months was \$39,327,000, or \$0.36 per share.

"During the first three quarters of our fiscal year, we experienced sustained growth in all of our operating sectors, explained Claude Chagnon, President and Chief Operating Officer of Le Groupe Vidéotron Ltée. This performance confirms our management teams' focus on operations and on delivering value to our shareholders."

CANADA – CABLE TELEVISION AND TELECOMMUNICATIONS

Revenue jumped to \$511,759,000, 48.4% over \$344,903,000 recorded in the first three quarters of fiscal 1997. EBITDA followed the same trend, rising 45.1% to \$190,242,000 compared to \$131,086,000 in 1997. This performance reflects the increase in the number of subscribers, the basic cable service fee, the introduction of tiering and the consolidation of CF Cable TV Inc. On a pro forma basis, revenue increased by 10.8% and EBITDA by 6.2%.

PRIVATE CABLE TELEVISION – UNITED STATES

Revenue from US operations increased by 60.4% to reach \$63,987,000. For the second consecutive quarter, this sector posted a positive EBITDA: it totalled \$4,842,000 for the first nine months of fiscal 1998, compared to a net loss of \$1,313,000 for the corresponding period a year earlier. This was achieved through the integration of both a Houston-based private cable television operations and certain assets of ICS as well as the start-up of switched telephony services.

CANADA – TELEVISION BROADCASTING

Revenue for the first nine months 1998 was 9.4% higher, to \$172,810,000 from \$158,024,000 a year ago. EBITDA totalled \$48,731,000 compared to \$40,571,000 the previous year, up 20.1%.

RECENT DEVELOPMENTS

Shortly after the end of the quarter, the subsidiary Vidéotron Ltée completed the issue of \$100 million of Unsecured Senior Notes, bearing interest at 6.25% and maturing in 2008. The net proceeds from the issue was used by Vidéotron to redeem the outstanding \$45.5 million 12% Senior Secured Series A Debentures and to reduce borrowings under its bank facility.

On July 1, 1998 the U.S. subsidiary OpTel successfully issued US\$200 million of Senior Notes, bearing interest at 11.5% and maturing on July 1, 2008. The proceeds will be used to refinance OpTel's Senior Credit Facility, to fund capital expenditures related to the purchase and installation of communications equipment and to finance its expansion into new markets.

Le Groupe Vidéotron Ltée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Monday, July 20 1998

LE GROUPE VIDÉOTRON LTÉE DECLARES A DIVIDEND

The Board of Directors of Le Groupe Vidéotron Ltée today declare a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share after payment of the dividend provided for the Second Preferred Shares, Series A.

The dividend will be payable on September 21, 1998 to shareholders of record on September 1, 1998.

Le Groupe Vidéotron Ltée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Monday, August 3 1998

VIDÉOTRON CLOSES DEAL FOR THE ACQUISITION OF THREE QUEBEC CABLE TELEVISION COMPANIES

Le Groupe Vidéotron Ltée is pleased to announce the closing of the acquisition of **Le Câble de Rivière-du-Loup Ltée**, **Câblodistribution de la Côte du Sud Inc.** and **Télé-Câble Charlevoix (1977) Inc.** The deals were closed as of August 1, 1998, following CRTC approval for the transfer of the licenses obtained on July 8, 1998.

These acquisitions will enable Vidéotron to consolidate its position as the leading cable television distributor in Quebec by extending its territory beyond Quebec City to the lower St. Lawrence and lower Côte-Nord regions. The three acquired companies will add 28,700 customers to Vidéotron's existing base of 1,428,000 customers in Quebec.

Claude Chagnon, president and chief operating officer of Le Groupe Vidéotron Ltée commented: «We are very happy to welcome the customers of the three acquired cable television operators to Vidéotron. These acquisitions are part of a broader consolidation effort which will enable us to provide a growing range of communication services catering to the needs of close to 2.3 million households.»

Le Groupe Vidéotron Ltée is an international communications company. It has several subsidiaries in Canada, in cable television, telecommunications, television broadcasting, security monitoring and in the development of interactive multimedia services. It owns a private cable television and telephony operation and wireless cable systems in the United States. Groupe Vidéotron is a leader in the development of the information highway through its know-how acquired with the Videoway multimedia system and its UK integrated cable/telephony experience.

Friday, August 14 1998

MOFFAT AND VIDÉOTRON CLOSE DEAL FOR ALBERTA CABLE TELEVISION SYSTEMS

August 14, 1998 - Moffat Communications Limited and Le Groupe Vidéotron Ltée announce the completion of the acquisition by **Moffat** of **Vidéotron's** Alberta cable television systems for approximately \$ 295 million (subject to adjustments). The purchase and sale agreement was signed on December 2, 1997 and the transaction **approved by the Canadian Radio-television and Telecommunications Commission** on July 22, 1998.

The purchase and sale includes cable television systems comprising more than 159,000 cable television customers in Greater Edmonton and surrounding communities, as well as some 4,200 high speed Internet access clients and business telecommunication activities. In addition to being bi-directional and fully upgraded to 750 MHz in Greater Edmonton, the networks provide fiber optic telecommunication links.

Serge Morel
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With these Alberta properties, **Moffat** now provides cable television service to 320,000 customers in Canada and 54,000 in the United States. Commenting on the acquisition, **Randy Moffat**, President of **Moffat Communications Limited**, stated : " This acquisition enables us to expand our service territory and to establish a strong foothold in Alberta. The cable systems we acquired are among the most technically advanced in North America in a market with renewed dynamic growth. "

Vidéotron holds the largest contiguous cluster of franchises in **Canada** with some 1,457,000 cable television customers in Québec, and another smaller cluster of 106,000 cable television customers in Ontario. "This sale reflects increased focus on our main cluster, where we hold the required critical mass to exploit the opening of the **telecommunications market.** We see a great opportunity to grow into a major player in the communications field by dedicating our resources and efforts in a targeted manner. " declared **Claude Chagnon, President and Chief Operating Officer of Le Groupe Vidéotron Itée.**

Moffat Communications Limited has substantial interests in cable television systems in **Canada** and the **United States**, namely, **Videon CableSystems Inc.**, which owns and operates cable television systems in Winnipeg, and 22 regional communities in Manitoba and Northwestern Ontario; **Videon CableSystems Alberta Inc.**, which owns and operates systems in Edmonton and 24 regional communities in Alberta; **Kingwood Cablevision, Inc.**, near **Houston, Texas**; **Palm Coast Cablevision, Ltd.** in **Palm Coast Florida** and **FSN Cable, Ltd. (81.5% owned) near Tampa Florida.** **The Corporation** also owns 69.7% of **WTN**, a nationally distributed specialty television network and **CKY-TV** in Winnipeg.

Le Groupe Vidéotron Itée is an international communications company. Its affiliates in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multi-media development. In the United States, Le Groupe Vidéotron Itée owns a private cable distribution and telephone service company, as well as a wireless Internet service provider. **Le Groupe Vidéotron Itée** is a leader in **information highway development as a result of its experience in multi-media development with the Vidéoway system and in integrated cable television and telephony in the United Kingdom.**

For additional information:

Bill Davis Vice-President, Finance and Treasurer Moffat Communications Limited
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Danielle Dagenais Director of Investor Relations Le Groupe Vidéotron Itée
Telephone : (514) 985-8430

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Tuesday, September 1 1998

VIDÉOTRON CLOSES DEAL FOR THE ACQUISITION OF THREE QUEBEC CABLE TELEVISION COMPANIES

Le Groupe Vidéotron Ltée is pleased to announce the closing of the acquisition of three cable companies, Sorel-O-Vision Inc., Transvision Paré Inc. and Transvision Coaticook Inc. The transactions were closed on September 1, 1998, following CRTC approval for the transfer of the licenses obtained early July 1998.

These acquisitions will enable Vidéotron to consolidate its position as the leading cable television operator in the province of Quebec by extending its territory in the Eastern Townships and the Sorel region. The three acquired companies will add 25,365 customers to Vidéotron's existing base of 1,455,000 customers in Quebec.

Claude Chagnon, President and Chief Operating Officer of Le Groupe Vidéotron Ltée commented: «We are very happy to welcome the customers of the three acquired cable television operators to Vidéotron. These acquisitions are part of a broader consolidation effort which will enable us to provide a growing range of communication services catering to the needs of close to 2.3 million households.»

Le Groupe Vidéotron Ltée is an international communications company. Its affiliates in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multi-media development. In the United States, Le Groupe Vidéotron Ltée owns a private cable distribution and telephone service company, as well as a wireless Internet service provider. Le Groupe Vidéotron Ltée is a leader in information highway development as a result of its experience in multi-media development with the Vidéoway system and in integrated cable television and telephony in the United Kingdom.

9/20/2000

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Thursday, September 3 1998

VIDÉOTRON LTÉE FILES A FINAL PROSPECTUS IN RESPECT OF NEW \$100M 6.25% SENIOR NOTES DUE 2008

Le Groupe Vidéotron Ltée announced today that Vidéotron Ltée, its wholly-owned cable television subsidiary, has filed a final prospectus to qualify its new \$100M 6.25% Senior Notes due 2008 (the "Exchange Notes") for distribution in all Canadian provinces.

The Exchange Notes are offered to holders of the outstanding \$100M 6.25% Senior Notes due 2008 issued on June 16, 1998 in connection with an exchange offer to be mailed tomorrow. The exchange offer will expire at 5:00 p.m., Montreal Time, on September 28, 1998.

The terms of the Exchange Notes are identical in all material respects to those of the outstanding Notes, except for certain transfer restrictions and prospectus qualification rights. Vidéotron Ltée will not receive any proceeds in respect of the Exchange Notes. It has already received the proceeds from the outstanding Notes.

Le Groupe Vidéotron Ltée is an international communications company. Its affiliates in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multi-media development. In the United States, Le Groupe Vidéotron Ltée owns a private cable distribution and telephone service company, as well as a wireless Internet service provider. Le Groupe Vidéotron Ltée is a leader in information highway development as a result of its experience in multi-media development with the Vidéoway system and in integrated cable television and telephony in the United Kingdom.

Vidéotron Ltée is the second largest cable television company in Canada in terms of number of subscribers and derives its revenues principally from the monthly fees paid by subscribers for its basic and extended basic cable services.

Thursday, September 24 1998

VIDÉOTRON TÉLÉCOM LAUNCHES TELECOMMUNICATIONS EXCHANGE WITH AN INVESTMENT OF CLOSE TO \$5 MILLION IN QUEBEC CITY

Vidéotron Télécom Itée (Vidéotron Télécom), an affiliate of Le Groupe Vidéotron Itée, today officially opened a new switching and network management centre which in the very near future will see the company providing local and long distance services to business customers in the Quebec City region.

In his inaugural remarks, Le Groupe Vidéotron Itée president and chief operating officer Claude Chagnon staked out a place and a role for Vidéotron in the region: "We're proud of this achievement, which represents an investment of nearly \$5 million, and especially proud to re-affirm our roots in the Quebec community and our commitment to contribute fully to regional economic growth in this way—among other things, by providing work for over 450 people in the Quebec City area."

A LEADER IN QUEBEC

Mr. Chagnon also explained that, "the new switching and network management centre in Quebec City represents Vidéotron's most recent initiative in the realization of our goal to become a leading player in the Quebec telecommunications industry."

Investments of nearly \$150 million to date in Vidéotron Télécom, which was formed in 1989, have helped establish Le Groupe Vidéotron Itée both as one of the major developers of the province's present-day communications infrastructure as well as the single largest telecommunications service provider under Quebec-based ownership.

Vidéotron Télécom general manager Pierre Bélanger describes the affiliate's activities as "spearheading Vidéotron's inroads into the telecommunications industry. Our fiberoptic network today runs to over 5,500 kilometers and can serve 90% of the population and business customers in the province.

Also, last year Vidéotron Télécom became the first Canadian company to obtain CRTC approval as a competitive local service provider in Canada. Today, with the inauguration of our Quebec City switching and network management center, and backed by a team of over 500 telecommunications professional, we've opened one of the most important phases in the deployment of our line of quality services."

Le Groupe Vidéotron Ltée is an international communications company. Its subsidiaries in Canada provide cable television, telecommunications, television broadcasting and entertainment, and security monitoring, as well as the development of interactive multimedia services. In the United States, Le Groupe Vidéotron Ltée owns private cable television and telephone operations as well as a satellite internet service provider.

Vidéotron is also a leader in the development of the information highway based on its experience in development of the Videoway multimedia system and the integrated cable/telephone service sector in the United Kingdom. Le Groupe Vidéotron Ltée today employs over 5,000 people.

Wednesday, September 30 1998

VIDÉOTRON LTÉE COMPLETES ITS EXCHANGE OFFER

Vidéotron Ltée announced today it has successfully completed its exchange offer pursuant to which it issued \$100M of 6.25% Senior Notes due 2008 (the "Exchange Notes") in exchange for \$100M of 6.25% Senior Notes due 2008 issued on June 16, 1998.

The terms of the Exchange Notes are identical in all material respects to those of the old Notes, except for certain transfer restrictions and prospectus qualification rights. Vidéotron Ltée did not receive any proceeds in respect of the Exchange Notes.

Vidéotron Ltée, a subsidiary of Le Groupe Vidéotron Ltée, is the second largest cable television company in Canada and the largest in Québec. Vidéotron Ltée offers a variety of services including pay television services, discretionary services, and is also a provider of conventional wire-line and high speed cable modem Internet access.

Le Groupe Vidéotron Ltée is an international communications company. Its affiliates in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multi-media development. In the United States, Le Groupe Vidéotron Ltée owns a private cable television and telephone company, as well as a wireless Internet service provider. Le Groupe Vidéotron Ltée is a leader in information highway development as a result of its experience in multi-media development with the Vidéoway system and in integrated cable television and telephony in the United Kingdom. Le Groupe Vidéotron Ltée employs over 5,000 people.

Tuesday, October 6 1998

LE GROUPE VIDÉOTRON LTÉE CREATES VIDÉOTRON COMMUNICATIONS INC., AN INTEGRATED COMMUNICATIONS COMPANY

Le Groupe Vidéotron Ltée announces an important corporate reorganization that translates its intent to position itself as an integrated communications company and reflects the activities of its subsidiaries. In response to the new opportunities generated by deregulation, which has opened up the more than \$5 billion telecommunications market, Groupe Vidéotron has created Vidéotron Communications Inc.

Claude Chagnon becomes President and Chief Executive Officer of Vidéotron Communications which brings together the company's cable television and telecommunications activities in Canada. Under the Vidéotron Communications banner, we note: Vidéotron Ltée which serves the residential market, Vidéotron Télécom Ltée. which targets business and institutional clients, Vidéotron.net which develops solutions based on the Internet protocol (IP) for residential and business customers, Protectron Inc. which offers security and monitoring services to both residential and commercial clients, and Le SuperClub Vidéotron Ltée which serves as a distribution and marketing network for Vidéotron products. These companies which, until now, had operated in a relatively independent manner, have now come together under one banner, to form a single entity.

For the twelve-month period ended May 31, 1998, Vidéotron Communications accounted for almost 70% of Groupe Vidéotron's income, \$660 million.

To Claude Chagnon, this corporate restructuring allows the company to make the most of the new opportunities generated by deregulation, in order to secure a significant share of the telecommunications market.

"The creation of Vidéotron Communications more efficiently translates the realities of our situation and favours greater synergy among our subsidiaries, to create a real one-stop service provider meeting our clients' full range of telecommunications and cable television needs. A reorganization was necessary for us to implement a service offering of this nature.

The creation of Vidéotron Communications is part of a development process initiated several years ago, in an effort to make the most of the tremendous potential of the telecommunications industry. Today, we have adopted a corporate structure consistent with our ambitions, one that will allow us to respond more efficiently to the needs of our clients, since our various subsidiaries will be more cohesive", states Claude Chagnon.

Vidéotron Communications will have a new board of directors whose members will **come from within the company** as well as **outside**.

Cable television activities, through **Groupe TVA Inc.**, and **private telecommunications** and **cable television activities** provided in the **US by OpTel, Inc.**, are not affected by this restructuring. These companies retain their current corporate structure and their separate boards of directors. Therefore, each of **Groupe Vidéotron's three operating entities will have its own board of directors, as well as its own objectives and markets to develop**. As the reorganization of **Groupe Vidéotron** renders the position of Chief Operating Officer unnecessary, it is abolished.

Le Groupe Vidéotron Ltée, the parent company, becomes **a holding responsible mainly for financial operations**. **Le Groupe Vidéotron Ltée** is an international communications company. **Its affiliates in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multi-media development**. In the **United States**, **Le Groupe Vidéotron Ltée owns a private cable television and telephone company, as well as a wireless Internet service provider**. **Le Groupe Vidéotron Ltée** is a leader in **information highway development as a result of its experience in multi-media development with the Vidéoway system and in integrated cable television and telephony in the United Kingdom**. **Le Groupe Vidéotron Ltée employs over 5,000 people**.

Tuesday, October 20 1998

VIDÉOTRON CLOSES DEAL FOR THE ACQUISITION OF ASSETS OF THREE QUEBEC CABLE TELEVISION COMPANIES

Le Groupe Vidéotron Ltée is pleased to announce the closing of the acquisition of assets of three cable companies, Transvision (East-Angus) Inc., Transvision Lennoxville Inc. et Transvision Plus Inc. providing cable services to the Granby, Cowansville, Lennoxville, East-Angus and Waterloo regions in Quebec. The CRTC's approval for the transfer of the licenses was obtained on September 25, 1998.

These acquisitions will enable Vidéotron to consolidate its position as the leading cable television distributor in Quebec by extending its territory in the Eastern Townships. These acquisitions are part of a broader consolidation effort which will enable Groupe Vidéotron to provide a growing range of communication services catering to the needs of close to 2.3 million households. The three acquired companies will add 31,000 customers to Vidéotron's existing base of some 1,480,000 customers in Quebec.

Le Groupe Vidéotron Ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Le Groupe Vidéotron Ltée owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity company. Le Groupe Vidéotron Ltée is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United Kingdom. Le Groupe Vidéotron Ltée employs over 5,000 people.

Vidéotron – Press information- 3

http://gvl.videotron.com/sp2/sallepresse_ang.html

Wednesday, October 21 1998

LE GROUPE VIDÉOTRON LTÉE DECLARES DIVIDEND

The Board of Directors of Le Groupe Vidéotron Ltée today declared a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share.

The dividend will be payable on December 21, 1998 to shareholders of record on December 1, 1998.

Le Groupe Vidéotron Ltée is an international communications company. Its affiliates in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multi-media development. In the United States, Le Groupe Vidéotron Ltée owns a private cable television and telephone company, as well as a broadband wireless high speed Internet Connectivity Company. Le Groupe Vidéotron Ltée is a leader in information highway development as a result of its experience in multi-media development with the Vidéoway system and in integrated cable television and telephony in the United Kingdom. Le Groupe Vidéotron Ltée employs over 5,000 people.

Wednesday, October 21 1998

GRUPE VIDÉOTRON: REVENUES BREAK THE BILLION MARK

For the fiscal year ending August 31, 1998, operating revenues for Le Groupe Vidéotron Ltée (Montréal, Toronto, VDO) broke through the billion dollar level, reaching \$1,025,825,000, a 29.0% increase over the previous year's \$795,492,000 revenue figure. All sectors of operations contributed to this growth.

On a pro forma basis (excluding in 1997 the results of the United Kingdom subsidiary, which was sold, and including those of CF Cable TV Inc.), consolidated revenues increased by 14.2%. This pro forma increase is mainly attributable to Canadian cable distribution (+\$70,221,000), private cable distribution in the United States (+\$38,968,000), and broadcasting (+\$15,895,000).

Operating profit, as earnings before interest, taxes, depreciation and amortization (EBITDA), increased by 47.8% to reach \$320,112,000, compared to \$216,516,000 in the previous year. On a pro forma basis, the EBITDA increase was 17.1%. As in the case of operating revenues, all operating sectors contributed to this improvement in the performance of the Company.

Depreciation and amortization increased from \$144,434,000 to \$197,206,000, an increase of 36.5% attributable in large part to the consolidation of CF Cable TV. On a pro forma basis, depreciation increased to \$26,299,000, or 15.4%. More than \$20 million of this increase is linked to expansion in the United States, and \$6 million to the Canadian network upgrade.

Financial costs were \$136,393,000, up 38.8% over the previous year. On a pro forma basis the increase was 3.8%, due to increased indebtedness incurred by U.S. subsidiary OpTel to finance its growth.

The other elements refer to certain non recurring items whose balance represented a gain of \$32,659,000. These elements included the gain on the sale of Alberta cable television operations, the write down of assets related to interactive technology in Canada and the value of the MMDS operations in the United States, a dilution gain following the share issue of OpTel, in partial consideration of the acquisition of assets of Interactive Cable Services, Inc., as well as the costs associated with the early reimbursement of long term debt. The net effect of these elements has led to a net loss before extraordinary item of \$40,303,000 (\$0.37 per share) for fiscal 1998, compared with net income of \$236,650,000 (\$2.15 per share) for the same period in 1997, during which Groupe Vidéotron included in its results the gain on the disposal of its UK investment.

An extraordinary item of \$8,452,000 after taxes was posted in the 2nd Quarter, representing costs resulting from the ice storm which hit Eastern Canada in January 1998. Including this extraordinary item, net loss for the year was \$48,755,000, or \$0.45 per share, compared to net profit of \$236,650,000 (\$2.15 per share) for 1997, when the gain on the sale of its investment in the United Kingdom was declared.

«All of our sectors of operation showed notable growth in sales and operating profit,» noted André Chagnon, Chairman of the Board of Directors and Chief Executive Officer of Le Groupe Vidéotron Ltée. "This performance reflects the competence and the quality of work of our management and operations teams. Further, it demonstrates our growth potential. The fiscal year 1998 gives us cause for optimism.»

CABLE TV AND TELECOMMUNICATIONS – CANADA

Revenues increased to \$690,172,000, or 48.9% more than the \$463,454,000 posted for 1997. EBITDA followed this trend, increasing by 47.2% to reach \$256,161,000, compared to \$174,055,000 in 1997. This performance reflects an increase in the number of subscribers and the rate for basic service, the introduction of tiering as well as the consolidation of CF Cable TV Inc. On a pro forma basis, revenues increased by 11.3% and EBITDA by 6.7%.

PRIVATE CABLE – UNITED STATES

American operating revenues rose by 71.1% to reach \$93,764,000. For fiscal 1998, this operating sector produced a positive EBITDA of \$7,827,000, compared to a loss of \$4,521,000 in the previous year. This progress came notably from the integration of two major acquisitions during the year, and the launch of switched telephony services.

BROADCASTING -- CANADA

Revenues increased by 8.1%, from \$196,889,000 a year ago to \$212,784,000 this year. EBITDA was \$56,167,000, compared to \$41,852,000 a year earlier, a remarkable increase of 34.2%.

Le Groupe Vidéotron Itée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Le Groupe Vidéotron Itée owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity service provider. Le Groupe Vidéotron Itée is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United States and United Kingdom. Le Groupe Vidéotron Itée employs over 5,000 people.

Monday, November 2 1998

GRUPE VIDÉOTRON CLOSES DEAL FOR NORTHERN ONTARIO AND QUÉBEC CITY AREA CABLE TV SYSTEMS

Le Groupe Vidéotron Itée is pleased to announce the closing of a deal that was reached earlier this year for the sale by CF Cable TV Inc, a wholly owned subsidiary of Groupe Vidéotron, of its northern Ontario cable TV systems to Regional Cable systems Inc for approximately \$121 million (subject to adjustments). Simultaneously, Vidéotron Itée, through a subsidiary, purchased, from Regional Cable systems, its Québec-based systems located in the Côte de Beaupré/Île d'Orléans area for approximately \$9 million (subject to adjustments). The transactions were closed on November 1, 1998, following CRTC approval for the transfer of the licenses obtained, in September 1998.

Groupe Vidéotron's Northern Ontario assets acquired by Regional Cable systems comprise some 101,000 subscribers in Sudbury, Timmins and 73 other Northern Ontario communities. Cable assets purchased by Vidéotron in the Côte de Beaupré/Île d'Orléans area comprise some 7,000 subscribers and are contiguous to Vidéotron's present systems in the Québec city capital region.

Le Groupe Vidéotron Itée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Le Groupe Vidéotron Itée owns a private cable television and telephone company, as well as a broadband wireless high speed Internet Connectivity Company. Le Groupe Vidéotron Itée is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United Kingdom. Le Groupe Vidéotron Itée employs over 5,000 people. More specifically in Québec, its subsidiary Vidéotron Itée and CF Cable TV Inc. together have more than 1.5 million subscribers in an area covering some 2.3 million homes and, in addition to basic cable it offers phone and cable-modem Internet access.

Monday, November 9 1998

GRUPE VIDÉOTRON RECTIFIES AN ARTICLE PUBLISHED IN NEWSPAPER LES AFFAIRES

The November 6th, 1998 Les Affaires article by Guy Paquin entitled «Cisco pays for Vidéotron's Integrated Network» contained serious factual errors and misquotes. The title itself is an inaccurate reflection of the investments that Le Groupe Vidéotron Itée is making and will make to provide integrated services to the home.

It is not true that Groupe Vidéotron will not pay a cent prior to deploying the first integrated residential network; it is also untrue that Cisco will pay for all equipment deployed, including customer premise equipment. In addition, the current deployment plans for digital television services and IP services are not technologically related.

The contractual arrangement between Cisco and Groupe Vidéotron is a third party financing arrangement, not unlike others Cisco has done. The terms and conditions of this contract are confidential, however, the pricing structure portrayed in this article is inaccurate in many significant ways.

Groupe Vidéotron's deployment of an IP multiservices network is a new implementation for delivering services which, when successful, will greatly benefit the participants in this contract. The objective is to deploy a New World Infrastructure based on the Internet Protocol. This infrastructure will provide consumers with access to existing and new services delivered in a more cost effective manner.

Le Groupe Vidéotron Ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Le Groupe Vidéotron Ltée owns a private cable television and telephone company, as well as a broadband wireless high speed Internet Connectivity Company. Le Groupe Vidéotron Ltée is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United Kingdom. Le Groupe Vidéotron Ltée employs over 5,000 people.

Tuesday, December 8 1998

VIDÉOTRON SEEKS TO REGISTER AS A COMPETITIVE LOCAL EXCHANGE CARRIER

Vidéotron Communications inc. informed the **Canadian Radio-Television and Telecommunications Commission (CRTC)** today of company plans to create a second competitive local exchange carrier (**CLEC**). Starting in 1999, Vidéotron Ltée plans to provide local telephone service to consumers in several Quebec regions where competition has been authorized.

The status of **CLEC** will allow Vidéotron to begin negotiations for interconnections of its network with those of **Bell Canada** and other local exchange carriers. This will enable Vidéotron local telephone service customers to communicate with all other users, regardless of location or telecommunications carrier used.

Vidéotron will launch local telephone services based on a **new technological platform** that uses the Internet protocol (IP). Vidéotron will offer customers the option of keeping their telephone numbers when changing local service carrier.

Vidéotron's registration as a new **CLEC** is in line with Decision 1997-1984 (May 1, 1997) where the CRTC outlined the competitive environment it would like to see established for local telephony.

The goals are to:

- maintain universal access to affordable telecommunications services in high-cost areas,
- encourage fair competition in all regions through equitable access to subsidies for CLECs, and
- encourage the establishment of effective interconnection agreements to evolve toward a network of interfunctional networks.

Vidéotron Communications has obtained the cooperation of recognized suppliers to develop this new sector of activity. Last October, Vidéotron selected Cisco Systems and Bellcore to install a new communications infrastructure based on a packet switching network. This infrastructure will let consumers get all their communications services from a single supplier. The new services based on the Internet protocol will allow Vidéotron customers to use simultaneously telephone services, high-speed Internet access and cable television services through a single coaxial cable, without compromising the quality of any of the services.

Vidéotron Communications inc. is a subsidiary of Le Groupe Vidéotron Ltée involved in cable television and telecommunications in Canada. It includes: Vidéotron Ltée, which serves the residential market; Vidéotron Télécom Ltée, which targets business and institutional customers; Vidéotron.net, which develops services based on the Internet protocol (IP) for residential and business customers; Protectron inc., which offers security systems and remote surveillance services for residential and business customers; and Le SuperClub Vidéotron Ltée which is a distribution and marketing network for Vidéotron services.

Le Groupe Vidéotron Ltée (Montréal, Toronto, VDO) is an international communications company. Subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Groupe Vidéotron owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity service provider. Groupe Vidéotron is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United States and the United Kingdom. Groupe Vidéotron employs over 5,000 people.

Tuesday, December 15 1998

LE GROUPE VIDÉOTRON LTÉE ANNOUNCES SUBORDINATE VOTING SHARE FINANCING

Le Groupe Vidéotron Ltée announced today that it has entered into an agreement with a syndicate of underwriters led by TD Securities Inc. and Griffiths McBurney & Partners under which they have agreed to buy, and sell to the public, 5.6 million Subordinate Voting Shares at a price of Cdn \$22.30 per Share for gross proceeds of \$124,880,000. Closing is expected on or about January 12, 1999, subject to final documentation and appropriate regulatory approvals. Net proceeds from the issue will be used for working capital and general corporate purposes.

The Subordinate Voting Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, ("U.S. Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act.

Le Groupe Vidéotron Itée will file a preliminary short form prospectus with the securities regulatory authorities in each province of Canada in connection with this offering within the prescribed delays.

Le Groupe Vidéotron Itée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Le Groupe Vidéotron Itée owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity company. Le Groupe Vidéotron Itée is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United States and the United Kingdom. Le Groupe Vidéotron Itée employs over 5,000 people.

Wednesday, December 16 1998

VIDÉOTRON ASSEMBLES «DREAM TEAM» TO EXECUTE TELECOMMUNICATIONS STRATEGY

"All of the key strategic elements are in place to **dominate the integrated communications services market**, including telephony, and to accomplish that, **Vidéotron has assembled its own "dream team,"** said **André Chagnon, Chairman of the Board and Chief Executive Officer of Le Groupe Vidéotron Itée**, during the annual meeting of shareholders of the Company, held today.

"Our transformation from a basic cable operator to an integrated provider of communications services will become a reality in 1999. A new era of growth is on the horizon for Groupe Vidéotron," he added.

Mr. Chagnon added that **the opening of the telecommunications market** provides **Groupe Vidéotron** with an extraordinary opportunity to accelerate growth.

"Within five years, the majority of our revenue could easily come from operations other than cable, such as local and long distance telephony, content production and distribution, and the production and marketing of new applications based on the Internet Protocol," said **Mr. Chagnon**.

Mr. Chagnon assured shareholders that all the critical elements for success are met: the clustering of its cable franchises, a state-of-the-art network infrastructure, telecommunications know-how and expertise, as well as financial flexibility.

Mr. Chagnon also pointed out that **Vidéotron** has developed a high level of confidence from **its experience with telephony in the United Kingdom and the United States**, and **that partnerships** with large industry players such as **Cisco, Bellcore, Keenan and SAP** will allow **Vidéotron** to complete the installation of the **first broad band IP network in the world**, and one-stop shopping for the Company's services.

One wire, one service provider, one bill "Starting next year, we will be the only company capable of offering **150 digital channels, local and long distance telephone service, high speed Internet access, and the monitoring services of Protectron, all on the same network infrastructure**. In addition, we will be the first to offer a **one-stop communications shop for the residential and business sectors**, said Mr. **Claude Chagnon, President and Chief Executive Officer of Vidéotron Communications inc.**, the subsidiary responsible for **Canadian activities** other than broadcasting.

Claude Chagnon indicated that telephone services would be available to business customers as soon as local number portability will permit. Telephone service should also be available to residential clients before the end of 1999.

Claude Chagnon believes that telephony provides the Company with its biggest growth opportunity since the business was founded.

"Our modernized network, with broad band access directly to the home, brings us a significant competitive advantage that we can count on to quickly become a leader in the integrated telecommunications services sector."

In this context, the SuperClub video store chain will serve as a storefront for the growing range of Vidéotron products and services. They will also be the favoured service interface for customers.

Group TVA and OpTel also growing Growth is also at the heart of the strategy of Group TVA inc., Vidéotron's subsidiary responsible for the production and broadcasting of content.

"Our broadcasting success in Quebec demonstrates our ability to develop, produce and broadcast quality content. This unique position enables us to multiply our alliances in several areas of development, in Quebec and increasingly in other markets throughout the world," said Daniel Lamarre, President and Chief Executive Officer of Group TVA.

Mr. Louis Brunel, President and Chief Executive Officer of OpTel, Inc, indicated that network expansion, new service agreements and the launching of new services will helped keep the U.S. subsidiary growing.

"With the help of recent acquisitions and internal developmental efforts, OpTel has climbed to number one in the field of integrated communications services for multiple dwelling units. We intend to continue this success," he said.

Financial flexibility

Mr. Alain Michel, Senior Vice President and Chief Financial Officer of Groupe Vidéotron, underlined that the financial strategy of the Company is to maintain financial flexibility based on a combination of a solid balance sheet and prudent, disciplined financial management.

"We have the financial structure and wherewithal to accomplish our strategies for growth in our various sectors of activity. In Canada, credit rating agencies have recognized the value of our approach by attributing the Company with "investment grade" status. In the United States, we managed to finance the growth of OpTel without any possibility of recourse against the parent company," explained Mr. Michel.

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Thursday, December 17 1998

LE GROUPE VIDÉOTRON LTÉE FILES A PRELIMINARY SHORT FORM PROSPECTUS

Le Groupe Vidéotron Itée announced today that it has filed with securities regulatory authorities in each province of Canada a preliminary short form prospectus for the issue of 5.6 million Subordinate Voting Shares. The issue is being underwritten at \$22.30 per share by a syndicate of underwriters led by TD Securities Inc. pursuant to an Underwriting Agreement executed today.

Le Groupe Vidéotron Itée will use the net proceeds of approximately \$120 million from this issue for working capital and general corporate purposes.

The Subordinate Voting Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act.

Le Groupe Vidéotron Itée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Le Groupe Vidéotron Itée owns a private cable television and telephone company, as well as a broadband wireless high speed Internet Connectivity Company. Le Groupe Vidéotron Itée is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United Kingdom. Le Groupe Vidéotron Itée employs over 5,000 people.

Wednesday, December 23 1998

LE GROUPE VIDÉOTRON LTÉE FILES A SHORT FORM PROSPECTUS

Le Groupe Vidéotron Itée announced today that it has filed with securities regulatory authorities in each province of Canada a short form prospectus for the issue of 5.6 million Subordinate Voting Shares at \$22.30 per share. The issue is being underwritten by a syndicate of underwriters co-led by TD Securities Inc. and Griffiths McBurney & Partners pursuant to an Underwriting Agreement executed on December 17, 1998. Closing, which was previously expected to be on January 12, 1999, is now scheduled to take place on January 7, 1999.

Le Groupe Vidéotron Ltée will use the net proceeds of approximately \$120 million from this issue for the company's working capital and general corporate purposes.

The Subordinate Voting Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act.

Le Groupe Vidéotron Ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Le Groupe Vidéotron Ltée owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity company. Le Groupe Vidéotron Ltée is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United Kingdom. Le Groupe Vidéotron Ltée employs approximately 5,000 people.

Thursday, January 7 1999

LE GROUPE VIDÉOTRON LTÉE CLOSSES SUBORDINATE VOTING SHARE ISSUE

Le Groupe Vidéotron Ltée announced today that it closed a public offer of 5.6 million Subordinate Voting Shares at a price of \$22.30 per share underwritten by a syndicate of underwriters co-led by TD Securities Inc. and Griffiths McBurney & Partners. Net proceeds of the issue, amounting to \$119,584,800 after underwriting fees and other costs, will be added to the Company's working capital and used for its general corporate purposes.

The Subordinate Voting Shares will not be registered under the U.S. Securities Act of 1933, as amended, ("U.S. Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act.

Le Groupe Vidéotron Ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Le Groupe Vidéotron Ltée owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity company. Le Groupe Vidéotron Ltée is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United Kingdom. Le Groupe Vidéotron Ltée employs over 5,000 people.

NOT FOR DISTRIBUTION TO US NEWS WIRE SERVICES OR DISSEMINATION IN THE United States of America

Wednesday, January 20 1999

VIDÉOTRON LTÉE OPERATING REVENUES INCREASE BY 26%

Vidéotron Ltée reports consolidated operating revenue of \$147,453,000 for the first quarter of fiscal 1999, ended November 30, 1998, compared with \$117,060,000 for the same period last year, an increase of 26%.

Operating income before depreciation and amortization totalled \$55,872,000, compared with \$50,864,000 for the first quarter of fiscal 1998, a 10% increase.

The growth in operating revenue is attributable mainly to the consolidation of three months of CF Cable TV Inc. results, compared with one month during the corresponding quarter of the previous year and the acquisition of several small cable television companies during the fourth quarter of 1998 and the first quarter of 1999. In addition, pay-television and discretionary services, which were previously recorded under Le Groupe Vidéotron Ltée, are now grouped under Vidéotron Ltée. This growth was partly offset by revenue losses following the sale of the Alberta cable television activities and of the Ontario subsidiaries in August and November 1998, respectively.

Depreciation and amortization totalled \$32,283,000, an increase of 37% compared with the first quarter of the preceding year. This increase results from the network modernization currently under way and the consolidation of CF Cable TV Inc., as well as the acquisition of small cable television companies.

Financial expenses were significantly lower at \$12,115,000 compared to \$19,239,000 for the corresponding quarter last year. This improvement is due to the repayment of debt following the sale of assets and goodwill relating to the cable television activities in Alberta in August 1998, as well as the redemption in the second and fourth quarters of 1998 of Subordinate Notes payable to Le Groupe Vidéotron ltée for \$380,000,000.

During the first quarter of 1999, the Company proceeded with the partial redemption of debt for a total of US\$31,215,000 and, as a result, posted a one-time charge of \$7,156,000 for the net premium, write-off of financing charges and related expenses.

The Company also recorded in Other Items dividend revenue from affiliated companies of \$664,000 for the current quarter, compared with \$2,131,000 for the same quarter last year.

The net loss for the first quarter was \$356,000 (\$0.15 per common share), compared with a net income of \$6,371,000 (\$2.64 per common share) last year. Excluding the impact of the one-time charge of \$7,156,000 (\$6,615,000, net of income taxes), Vidéotron would have reported a net income of \$6,259,000 (\$2.59 per common share) for the first quarter of 1999.

At the end of the first quarter of 1999, the Company had 1,541,073 subscribers to its basic services, 1,192,408 of which had opted for the extended basic tier service, 275,033 for Vidéoway services and 193,074 for pay-television services. Compared to the 1,709,348 basic service subscribers at November 30, 1997, the decrease of 168,275 is mainly due to the sale of Northern Cable Holdings Limited (Ontario) and the Alberta cable television activities, which had 106,773 and 161,189 subscribers, respectively. This was partially offset by the acquisition of small cable television companies with a total of 99,554 subscribers as at November 30, 1998.

Vidéotron ltée, a subsidiary of Vidéotron Communications inc., is the second largest cable television company in Canada and the largest in Québec in term of number of subscribers. The Company offers a variety of services, including cable television, pay-television, discretionary services, and is also a provider of dial-up and high-speed cable modem Internet access.

Vidéotron Communications inc. (VCI) is a subsidiary of Le Groupe Vidéotron ltée, an international communications company. VCI is an integrated communications company bringing together all of Vidéotron's telecommunications operations in Canada. Its subsidiaries offer services in telephony, telecommunications, cable television, remote surveillance and interactive multimedia development. VCI is a leader in information highway development as a result of its subsidiaries and of its parent company's experience in multimedia development and in integrated telephony and cable television in Canada, the United States and the United Kingdom.

Wednesday, January 20 1999

GROUPE VIDÉOTRON REPORTS A 9.5% INCREASE IN REVENUE

Le Groupe Vidéotron ltée (ME/TSE: VDO) reports further important steps in the first quarter of fiscal 1999 towards positioning the Company for significant growth in the estimated \$5 billion Québec telecommunications market.

Business telecommunications activities continued to expand, with further additions to infrastructure and technical resources. As well, Groupe Vidéotron selected Cisco Systems and Bellcore to provide an Internet Protocol-based infrastructure that will allow for the delivery of advanced data, voice and video service over the existing cable network. The quarter also featured the sale of the Northern Ontario cable activities and the purchase of several small Québec cable television companies as part of Groupe Vidéotron's clustering strategy.

Consolidated operating revenue for the first quarter ended November 30, 1998 was \$277,301,000, an increase of 9.5% compared to \$253,226,000 in the corresponding quarter of fiscal 1998. Operating income before depreciation and amortization amounted to \$84,003,000 compared to \$78,598,000 in the previous year when reduced by \$6,562,000 representing the results of Alberta operations sold in August 1998.

Amortization and depreciation totaled \$56,551,000 compared to \$47,456,000 in the first quarter of fiscal 1998. The impact of the construction of networks in the U.S. and of the modernization of the Canadian cable television infrastructure accounted for most of this increase. Financial charges, at \$39,023,000, were \$6,744,000 higher than in the first quarter of fiscal 1998, reflecting higher debt in OpTel, Groupe Vidéotron's U.S. subsidiary.

The Company recorded a one-time charge of \$7,156,000 for the net premium, write off of financing charges and related expenses upon the early redemption of US \$31,215,000 in the debt of a subsidiary.

The net loss was \$35,844,000 (\$0.33 per share) compared to a loss of \$5,312,000 (\$0.05 per share) in the previous year, mainly as a result of its start-up operations in the U.S. which contributed \$32,386,000 to the net loss posted for the quarter.

The Company completed a major corporate reorganization with the establishment of Vidéotron Communications Inc., an integrated communications company bringing together Vidéotron Itée, Vidéotron Télécom Itée, Protectron inc. and Le SuperClub Vidéotron Itée. Segmentation of the Company's results now reflects this reorganization.

CABLE TELEVISION, TELECOMMUNICATIONS AND OTHER SERVICES: VIDÉOTRON COMMUNICATIONS INC.
Operating revenues increased by \$6,379,000 to \$185,675,000 in the first quarter compared to \$179,296,000 in the similar period in fiscal 1998. Despite higher expenses related to the Company's entry in the telecommunications sector, operating income before depreciation and amortization reached \$60,644,000, compared to \$59,598,000 in the previous year, when excluding the results of the activities in Alberta sold in August 1998 of \$6,562,000.

As at November 30, 1998, the Company's cable television subsidiaries had 1,541,073 basic service subscribers, including 1,180,470 residential subscribers taking the extended basic tier for a penetration of 83.2% of residential subscribers, 275,033 with interactive terminals and 193,074 selecting pay television services. It also had 61,798 residential on-line customers with dial-up Internet access services and 8,509 with high-speed access services, as well as 14,487 customers for paging services.

Compared to the end of the previous fiscal year, the subscriber numbers reflect the sale of Videotron Communications in Alberta (161,189 subscribers), which closed on August 14, 1998, and Northern Cable (105,217 subscribers as at August 31, 1998), which closed on November 1, 1998. These figures also take into account the acquisition of several small Québec cable companies, adding approximately 63,400 subscribers.

BROADCASTING : TVA GROUP INC.

Strong advertising sales were the principal factor in a strong first quarter for TVA Group. The company posted a 10.8% revenue increase to \$71,501,000 compared to \$64,513,000 in the first quarter of fiscal 1998. Operating income before depreciation and amortization rose to \$25,235,000 compared to \$19,647,000 in the previous year.

PRIVATE CABLE TELEVISION IN THE UNITED STATES: [OPTEL, INC.](#)

OpTel has positioned itself to build value as the only fully integrated provider of cable television, satellite television, Internet access, and telephony services. OpTel's revenues increased by 84% to \$31,605,000 compared to \$17,171,000 in the previous year. Loss from operations before depreciation and amortization was \$658,000 compared to \$262,000 in the first quarter of fiscal 1998. As at November 30, 1998, OpTel had 217,593 cable television service subscribers for a penetration rate of 54.2% and 8,736 telephone subscribers for a penetration rate of 20.7%.

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Wednesday, March 3 1999

[LE GROUPE VIDÉOTRON LTÉE DECLARES DIVIDEND](#)

The Board of Directors of Le Groupe Vidéotron Itée declared a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share.

The dividend will be payable on March 21, 1999 to shareholders of record on March 12, 1999.

Le Groupe Vidéotron Itée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Le Groupe Vidéotron Itée owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity company. Le Groupe Vidéotron Itée is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United States and the United Kingdom. Le Groupe Vidéotron Itée employs over 5,000 people.

Wednesday, March 10 1999

Vidéotron Télécom has a new calling card: VIDÉOTRON BUSINESS NETWORK

Vidéotron Communications president and CEO Claude Chagnon is proud to announce that Vidéotron Télécom (1998) Ltée will do business from now on under the name Vidéotron Business Network (Vidéotron - Réseau d'affaires).

In making this major announcement, Mr. Chagnon said: "This new signature better reflects the reality and uniqueness of our subsidiary. Created 10 years ago, the company has risen as one of the leading telecommunication solutions providers to business customers in Québec. In fact, the term business network illustrates the lightning speed at which corporate telecommunications needs have evolved over the past decade, and which has led to various well-defined market niche opportunities. So we're giving ourselves a calling card that represents what we have become and what we offer Québec-based businesses as our partners and clients."

A BUSINESS NETWORK AS BIG AS ALL QUÉBEC

The new signature will be carried in a huge promotional campaign targeted to businesspeople across Québec. Newspaper ads, mailings and a direct marketing operation getting underway as of this week will present the new services the Vidéotron Business Network will offer, including long distance telephone and internet access.

A BANNER VISIBILITY CAMPAIGN

In downtown Montreal, Vidéotron Business Network teams will patrol the city all day long, unrolling immense banners in the company's colors on buildings they will visit during the campaign.

A ONE-STOP TELECOMMUNICATIONS SERVICE

Vidéotron has experienced rapid growth and is establishing itself increasingly as a genuine one-stop telecommunications service. In the past, Vidéotron was the first to link Montreal and Québec City by fibre-optic cable, and today it operates a regional and local fibre-optic network covering over 6,000 km. The pairing of this infrastructure with cutting-edge technology positions the Vidéotron Business Network to offer telecommunications services with everything from high-speed data transmission to video-conferencing, website design and management to local and long distance telephone services.

"We're offering business and institutional customers a total solution for all their communications needs. For these companies, the result will be significant economies of scale, much simpler administration, and also much greater reliability," Mr. Chagnon added.

During the past few months Vidéotron Télécom Ltée installed the first dedicated fibre-optic line between two cities for the purpose of communications between administrative departments. This single large-bandwidth line connects the towns of Aylmer and Buckingham over a distance of 50 km in the Ottawa Valley region. "Vidéotron Télécom is a leader in Québec in the construction and operation of private information highways. The Aylmer-Buckingham project shows our mastery of this future-oriented technology and our capacity to develop tailor-made solutions for our business customers," Mr. Chagnon continued.

The Vidéotron Business Network head office is located in Montreal. The company serves the major cities in Québec. Last fall it opened a high-capacity telephone switching facility to provide long distance service for business customers in the region, in addition to the Vidéotron switching facility already in operation in Montreal.

Vidéotron Communications Inc. (VCI) is a subsidiary of Le Groupe Vidéotron Ltée, an international communications corporation. VCI is an integrated communications firm that regroups all Vidéotron telecommunications activities in Canada. Services provided by its subsidiaries include telephony, internet, cable television, telecommunications, remote monitoring and multimedia development. VCI is a leader in the development of the information highway, owing to the experience of its subsidiaries and parent company in the field of multimedia development and integrated telephone and cable services in Canada, the United States and the United Kingdom.

Wednesday, March 31 1999

LE GROUPE VIDÉOTRON LTÉE DECLARES A DIVIDEND

The Board of Directors of Le Groupe Vidéotron ltée declared a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share.

The dividend will be payable on June 21, 1999 to shareholders of record on June 1, 1999.

Le Groupe Vidéotron ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Groupe Vidéotron owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity company. Groupe Vidéotron is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United States and the United Kingdom. Groupe Vidéotron employs over 5,000 people.

Wednesday, March 31 1999

VIDÉOTRON LTÉE: RECORD CABLE SUBSCRIBER BASE IN SECOND QUARTER

Vidéotron ltée reports consolidated revenue of \$289,851,000 for the first six months ended February 28, 1999, an increase of 8.3% compared to \$267,698,000 for the similar period last year. Operating income before amortization and depreciation totalled \$109,107,000 for the first six months of fiscal 1999, compared to \$107,984,000 for the first six months of the previous fiscal year, an increase of 1%. This is a noteworthy performance, given the launch of the new services during the first six months which are not yet contributing to the Company's profitability.

Revenue growth is mainly related to the consolidation of the results of CF Cable TV Inc. for six months, compared to four months in the first half of 1998; the acquisition of smaller Québec-based cable television companies during the fourth quarter of 1998 and the first quarter of 1999; the launch of tiered services in the fall of 1998; as well as the rate increase for tiered services this year. In addition, pay television services and discretionary television services, previously recorded in the results of Le Groupe Vidéotron ltée, are now grouped under Vidéotron ltée. This growth more than offset the decrease resulting from the disposal of cable television operations in Alberta and Ontario in August and November 1998, respectively. Alberta and Ontario operations contributed \$13,326,000 and \$8,680,000, respectively, to operating results for the first six months of the 1998 fiscal year.

At the end of the first six months of 1999, the Company had 1,546,265 basic service subscribers, including 1,182,862 subscribers who had opted for the extended basic tier, 273,228 for interactive services, and 192,575 for pay television services. As at February 28, 1998, the Company had 1,442,407 basic service subscribers in Québec. The increase of 104,858 subscribers is attributable to the acquisition of smaller Québec-based cable television companies, totalling 102,344 subscribers as at February 28, 1999, as well as the Company's success versus the competition.

"We have reached a record of 1 546 000 basic subscribers in Québec, an increase of 103 858 subscribers compared to the same period last year, explained Guy-R. Beauchamp, Executive Vice-President of Vidéotron ltée. This growth is largely due to the acquisition of small cable systems in Québec which accounted for 102 344 subscribers as of February 28, 1999. With new players entering the market, we managed to grow internally by 1 514 subscribers, to maintain our tier penetration over 83% and to show an increase of 6% in the number of subscribers for discretionary services".

Amortization and depreciation was \$58,109,000, a 9.6% increase over the first six months of the previous fiscal year. This increase is attributable to network modernization, the consolidation of the results of CF Cable TV Inc., and the acquisition of several smaller Québec-based cable television companies.

Financial expenses decreased to \$25,384,000, compared to \$37,042,000 for the similar period of last year. The decrease is attributable to reduced debt resulting from the sale of cable television operations in Alberta and Ontario and from the receipt of investments in other entities within the group, as well as the refinancing, in fiscal 1998, of various debt instruments of the Company.

During the first half of the previous fiscal year, the Company recorded non-recurring charges of \$26,861,000 and \$18,480,000 comprising the redemption premiums and other items related to the early redemption of Vidéotron ltée's Senior Subordinated Notes in the amount of US\$150,000,000 as well as the redemption of \$220,000,000 in Subordinate Notes payable to Groupe Vidéotron, respectively.

In the second quarter of the previous fiscal year, the Company incurred costs related to the January 1998 ice storm in Québec and recorded an after-tax extraordinary loss of \$8,036,000.

Net income for the first six months of 1999 was \$7,697,000 (\$3.19 per common share) compared to a net loss after extraordinary items of \$31,405,000 (\$13.02 per share) for the similar period last year. However, excluding non-recurring charges, the extraordinary loss and related income taxes, net income for the first six months of 1999 would have totalled \$14,311,000 (\$5.93 per share) compared to \$15,031,000 (\$6.23 per share) for the similar period last year.

Comparative results for the first six months of 1998 have been restated to reflect the decrease in financial expenses following the revaluation for consolidation purposes of Senior Secured Priority Notes of the CF Cable TV Inc. subsidiary, which had previously reported as totally allocatable to the fourth quarter of 1998. This restatement had a positive impact of \$2,429,000 on first quarter results and \$4,857,000 on results for the first six months.

Vidéotron Itée, a subsidiary of Vidéotron Communications inc., is the second largest cable television company in Canada and the largest in Québec in terms of number of subscribers. The Company offers a variety of services, including cable television, pay-television, discretionary services, and is also a provider of dial-up and high-speed cable modem Internet access.

Vidéotron Communications inc. (VCI) is a subsidiary of Le Groupe Vidéotron Itée, an international communications company. VCI is an integrated communications company bringing together all of Vidéotron's telecommunications operations in Canada. Its subsidiaries offer services in telephony, telecommunications, cable television, remote surveillance and interactive multimedia development. VCI is a leader in information highway development as a result of its subsidiaries and of its parent company's experience in multimedia development and in integrated telephony and cable television in Canada, the United States and the United Kingdom.

Wednesday, March 31 1999

GROUPE VIDÉOTRON: SUBSCRIBERS FOR CABLE AND INTERNET ACCESS REACHING HISTORICAL HIGHS

Le Groupe Vidéotron Itée (ME/TSE: VDO) reported revenue growth in all segments for the first six months ended February 28, 1999. The first half was marked by strong operating performance in cable television, Internet access, telecommunications and broadcasting.

The results were created by the strength of the Company's position in key market segments. Alain Michel, Senior Vice President and Chief Financial Officer of Le Groupe Vidéotron Itée, commented: "We are pleased to report that despite increased competition, basic subscribers continued to grow in cable television and Internet access subscribers leapt with the introduction of new services pricing. We made significant progress in implementing our residential bundling strategy and in broadening our business telecom services offering. We now find ourselves ideally positioned to seize a growing share of the telecommunications market." Results for the first six months also benefited from the strong performance and market leadership of TVA Group Inc., the broadcasting subsidiary.

For the first six months of Fiscal 1999, consolidated revenue was \$531,919,000, an increase of 7.2% over the comparable \$496,099,000 in Fiscal 1998. Operating income before depreciation and amortization was \$148,641,000, compared to \$158,754,000 for the first six months of the previous year, (\$145,428,000 on a pro forma basis, excluding the impact of the Alberta operations sold in August 1998).

Depreciation and amortization for the first six months of fiscal 1999 totaled \$109,303,000, compared to \$96,550,000 for the similar period of fiscal 1998. A significant portion of the increase is attributable to continued network build out in business telecom and in the U.S., as well as the upgrade of the Canadian cable network. Financial charges totaled \$78,231,000 compared to \$62,599,000 for the first six months of fiscal 1998, reflecting higher levels of debt at OpTel, Groupe Vidéotron's U.S. subsidiary.

The Company recorded one-time charges of \$20,556,000 mainly related to the net premium, write off of financing charges and related expenses upon the early redemption of approximately US \$116,000,000 in debt (Cdn \$176,115,000).

Including all elements, the net loss for the first six months was \$80,113,000 (\$0.72 per share) compared to a net loss of \$40,605,000 (\$0.37 per share) for the first six months of the previous year. Excluding extraordinary and one-time items as well as the net loss from the start-up of private cable operations in the U.S., the Company reported net income of \$3,676,000 (\$0.03 per share) compared to net income of \$11,399,000 or \$0.10 per share in the previous year for Canadian operations.

CABLE TELEVISION, TELECOMMUNICATIONS AND OTHER SERVICES: VIDÉOTRON COMMUNICATIONS INC.

Operating revenues for the first six months of fiscal 1999 increased 9.2% to \$347,520,000, compared to \$349,229,000 (\$318,129,000 on a pro forma basis, excluding the figures for the Alberta operations) for the similar period of 1998. The increase in revenues reflected the introduction of tiered services, higher rates, and growth in Internet and business services.

Operating expenses increased as a result of continued penetration of the telecommunications market as well as higher marketing and customer service expenses related to increased competition in cable television. This resulted in operating income before depreciation and amortization of \$118,879,000 compared to \$116,652,000 for the corresponding period of fiscal 1998, excluding \$13,326,000 for the results of Alberta operations sold at the end of fiscal 1998.

As at February 28, 1999 the Company's cable television subsidiaries in Québec had 1,546,265 basic service subscribers. This compared to 1,442,407 basic subscribers at the same date a year ago. Of residential subscribers, 1,182,862 subscribed to extended basic tier services in the Québec cluster for a penetration rate of 83.3% of residential subscribers. There were 273,228 subscribers with interactive terminals, up 9.8% from a year ago, and 192,575 pay television subscribers. Internet access services had 83,402 customers and paging services had 15,049 customers, compared to 48,108 and 9,063 respectively a year ago.

BROADCASTING: TVA GROUP INC.

TVA Group continued to report strong results, driven by solid advertising sales. For the first six months ended February 28, 1999, revenue increased 16.2% to \$123,726,000, compared to \$106,480,000 for the similar period of the previous fiscal year. Operating income before depreciation and amortization was \$35,600,000 compared to \$28,222,000 in the first six months of fiscal 1998, an increase of 26.1%.

PRIVATE CABLE TELEVISION IN THE UNITED STATES: OPTEL, INC.

OpTel continued to grow in revenue and subscribers. Revenue for the first six months of fiscal 1999 increased 64.2% to \$62,714,000, compared to \$38,184,000 for the similar period of fiscal 1998. Loss from operations before depreciation and amortization was \$2,377,000, compared to operating income before depreciation and amortization of \$1,693,000 for the first six months of the previous year. As at February 28, 1999, OpTel had 218,023 cable television services for a penetration rate of 54.3%, as well as 128,137 subscribers to pay television service subscribers for a penetration rate of 58.8%. Telephone lines in service more than doubled year-over-year to 13,229 for a penetration rate of 27.9%.

Le Groupe Vidéotron Itée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Groupe Vidéotron owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity company. Groupe Vidéotron is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United States and the United Kingdom. Groupe Vidéotron employs over 5,000 people.

Thursday, April 22 1999

GROUPE VIDÉOTRON'S U.S. SUBSIDIARY OPTEL PLANS OFFERING OF \$100 MILLION IN CLASS A COMMON STOCK

Le Groupe Vidéotron Itée announces that OpTel, Inc., its subsidiary in the United States, has filed with the Securities and Exchange Commission an amendment to a registration statement for a primary offering of shares of its Class A Common Stock for aggregate gross proceeds of approximately US \$100 million. The proceeds will be used for capital expenditures related to the purchase and installation of communications equipment and for general corporate purposes, including working capital.

The offering will be made only by means of a prospectus.

Le Groupe Vidéotron Itée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Groupe Vidéotron owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity company. Groupe Vidéotron is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United States and the United Kingdom. Groupe Vidéotron employs over 5,000 people.

NOT FOR DISTRIBUTION IN THE UNITED STATES

Monday, May 3 1999

LE GROUPE VIDÉOTRON LTÉE SELLS MMDS OPERATIONS TO SPRINT CORPORATION

Le Groupe Vidéotron Ltée (Groupe Vidéotron) through an indirect wholly-owned subsidiary announced today that it entered into a definitive agreement whereby Sprint Corporation will purchase its interest in Wireless Holdings, Inc. (WHI) and Videotron Bay Area, Inc. (VBAI), for a cash contribution of US\$180 million. The closing of the transaction is subject to standard conditions including government, regulatory and other approvals. It is anticipated that the transaction will close during the fourth quarter of the fiscal year.

WHI, a 62.5% indirectly owned subsidiary of Groupe Vidéotron, holds multi-point multi-channel distribution services (MMDS) assets and channel leases in San Francisco/San Jose, San Diego and Victorville (California), Greenville (South Carolina), Seattle (Washington) and an operating system in Spokane (Washington). In addition, VBAI, an MMDS company in Tampa (Florida) is a wholly-owned indirect subsidiary of Groupe Vidéotron. MMDS operations traditionally competed with traditional wireline cable systems with wireless cable television services. However in recent months, frequencies in the San Francisco/San Jose area were put to a new use for broadband wireless high speed Internet connectivity branded under the Wavepath name.

"We believe that this strategy contributed to re-establish sound valuations for the MMDS spectrum. We are very pleased with this agreement which should bring a substantial pre-tax gain of approximately Cdn\$136 million to our shareholders. With the increased attractiveness of MMDS asset valuations in the US market, we felt the opportunity was there to realize the value of these operations held for resale", commented Alain Michel, Senior Vice-President and Chief Financial Officer of Groupe Vidéotron. These assets were recorded as discontinued operations in Groupe Vidéotron's financial statements.

NationsBanc Montgomery Securities LLC and Daniels & Associates acted as advisors for WHI and VBAI in this transaction.

Le Groupe Vidéotron Ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, Groupe Vidéotron owns a private cable television and telephone company, as well as a broadband wireless high speed Internet connectivity company. Groupe Vidéotron is a leader in information highway development as a result of its experience in multimedia development and in integrated cable television and telephony in the United States and the United Kingdom. Groupe Vidéotron employs over 5,000 people.

Thursday, May 20 1999

DBRS RAISES DEBT RATING FOR GROUPE VIDÉOTRON LTÉE

Montreal, May 20, 1999 - Le Groupe Vidéotron Ltée (GVL) announces that the Dominion Bond Rating Service (DBRS) has assigned the BBB- rating to the Company's Senior Notes maturing in 2005, an increase compared to the previous BB+ rating. In addition, DBRS confirmed its BBB rating for the Senior Notes issued by Vidéotron Ltée, a GVL subsidiary.

"We are very pleased with this improvement in GVL's debt rating, which recognizes the health and strength of our balance sheet and reinforces our determination to stay the course with rigorous financial management policies," said Alain Michel, Senior Vice-President and Chief Financial Officer of Groupe Vidéotron.

Le Groupe Vidéotron Ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, the Company owns a private cable television and telephony company. Vidéotron, which celebrates its 35th anniversary this year, became a leader in information highway development through the know-how acquired with the Vidéoway multimedia system and its integrated cable/telephony experience in the United Kingdom. The Company's annual revenues exceed \$1 billion and it has approximately 5,000 employees.

Friday, May 21, 1999

GROUPE VIDÉOTRON'S US SUBSIDIARY, OPTEL, WILL NOT PROCEED

MONTREAL, May 21, 1999 -- Le Groupe Vidéotron ltée announces that OpTel Inc., its indirectly owned US subsidiary, decided not to go forward at this time with its previously announced proposed initial public offering of common stock, based on current market conditions.

Le Groupe Vidéotron ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. Vidéotron, which celebrates its 35th anniversary this year, became a leader in information highway development through the know-how acquired with the Vidéoway multimedia system and its integrated cable/telephony experience in the United Kingdom. The Company's annual revenues exceed \$1 billion and it has approximately 5,000 employees.

Monday, May 31, 1999

CBRS RAISES DEBT RATING FOR LE GROUPE VIDÉOTRON LTÉE

Montreal, May 28, 1999 - Le Groupe Vidéotron Ltée (GVL) announces that the Canadian Bond Rating Service (CBRS) has assigned a B++(Low) rating to the company's Senior Notes maturing in 2005, an increase compared to the previous B+(High) rating. Investors consider the B++(Low) rating from CBRS to be an investment grade. In addition, CBRS confirmed its A-2 and B++(High) ratings respectively for the Commercial Paper and Senior Notes issued by Vidéotron ltée, a GVL subsidiary.

"This improvement in GVL's debt rating rewards one of the phases of our strategy to strengthen our balance sheet and maintain a high level of financial flexibility," said Alain Michel, Senior Vice-President and Chief Financial Officer of Groupe Vidéotron.

Le Groupe Vidéotron ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, telecommunications, broadcasting, remote surveillance and interactive multimedia development. In the United States, the Company owns a private cable television and telephony company. Vidéotron, which celebrates its 35th anniversary this year, became a leader in information highway development through the know-how acquired with the Vidéoway multimedia system and its integrated cable/telephony experience in the United Kingdom. The Company's annual revenues exceed \$1 billion and it has approximately 5,000 employees.

Wednesday, June 9 1999

GROUPE VIDÉOTRON INITIATES TENDER OFFER FOR ITS 10.625% SENIOR NOTES DUE 2005

Montreal, June 9, 1999 -- Le Groupe Vidéotron ltée announced today that it has commenced a tender offer to purchase for cash any and all of its outstanding 10.625% Senior Notes due 2005 at a price of \$1,079.90 per \$1,000 principal amount of the Notes tendered, plus the amount of accrued and unpaid interest to (but excluding) the settlement date. The offer expires at 5:00 p.m., Eastern Daylight Saving Time, on June 16, 1999, unless extended by Groupe Vidéotron.

Prior to the initiation of the offer, Groupe Vidéotron received the irrevocable consent of the holder of the majority in aggregate principal amount of the Notes to certain amendments which, upon completion of the offer and execution of the appropriate documents, will eliminate most of the restrictive covenants and certain other provisions of the indenture pursuant to which the notes were issued.

"This offer is consistent with our ongoing strategy to restructure the Company's debt instruments to increase financial flexibility in line with its investment grade credit rating in Canada and the United States," said Alain Michel, Senior Vice President and Chief Financial Officer of Groupe Vidéotron.

Salomon Smith Barney is acting as dealer-manager in connection with the offer.

Le Groupe Vidéotron ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, Internet, telecommunications, broadcasting, and remote surveillance. In the United States, the Company owns a private cable television and telephony company.

Vidéotron, which celebrates its 35th anniversary this year, is a leader in information highway development through the know-how acquired with the Vidéoway multimedia system and its integrated cable/telephony experience in the United Kingdom. The Company has annual revenues exceeding \$1 billion and approximately 5,000 employees.

Friday, June 18, 1999

GROUPE VIDÉOTRON COMPLETES TENDER OFFER FOR ITS 10.625% SENIOR NOTES DUE 2005

Montreal, June 18, 1999 -- Le Groupe Vidéotron ltée announced that it has purchased for cash 99.3% of its 10.625% Senior Notes due 2005 at a price of \$1,079.90 per \$1,000 principal amount of the Notes tendered, plus the amount of accrued and unpaid interest to the settlement date, June 21st.

Prior to the initiation of the offer, Groupe Vidéotron received the irrevocable consent of the majority holder of the Notes to certain amendments which eliminated most of the restrictive covenants and certain other provisions of the indenture pursuant to which the Notes were issued.

Salomon Smith Barney acted as dealer-manager in connection with the tender offer.

Le Groupe Vidéotron ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, Internet, telecommunications, broadcasting, and remote surveillance. In the United States, the Company owns a private cable television and telephony company. Vidéotron, which celebrates its 35th anniversary this year, is a leader in information highway development through the know-how acquired with the Vidéoway multimedia system and its integrated cable/telephony experience in the United Kingdom. The Company has annual revenues exceeding \$1 billion and approximately 5,000 employees.

Wednesday, June 30th, 1999

Arbitration settlement between Groupe Vidéotron and Pactel

Montreal, June 30, 1999 - Le Groupe Vidéotron ltée (GVL) and its subsidiaries have reached a settlement with Pacific Telesis and some of its affiliated companies in their arbitration concerning the sale of multi-point multi-channel distribution services (MMDS), commonly referred to as wireless telecommunications, previously held by affiliates of GVL in the United States. The arbitration was before JAMS/Endispute of San Francisco, and pertained to the application of the covenants of the purchase agreement that governed the MMDS sale by two U.S. subsidiaries of GVL, Wireless Holdings, Inc. (WHI) and Videotron (Bay Area) Inc. (VBAI).

The settlement, reached yesterday, calls for both companies to withdraw their claims in the arbitration, which had been initiated in the fall of 1996 with regard to an agreement concluded in September 1995.

As disclosed on May 3rd 1999, GVL entered into an agreement to sell its interest in WHI and VBAI to Sprint Corporation for a cash contribution of US \$180 million.

Le Groupe Vidéotron ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, Internet, telecommunications, broadcasting, and remote surveillance. In the United States, the Company owns a private cable television and telephony company. Vidéotron, which celebrates its 35th anniversary this year, is a leader in information highway development through the know-how acquired with the Vidéoway multimedia system and its integrated cable/telephony experience in the United Kingdom. The Company has annual revenues exceeding \$1 billion and approximately 5,000 employees.

Thursday, July 8 1999

THIRD QUARTER RESULTS: GROUPE VIDÉOTRON POSTS SUSTAINED GROWTH - ITS SUBSIDIARY VIDÉOTRON LTÉE DOUBLES INTERNET SUBSCRIBER BASE

Montreal, July 8, 1999 - Le Groupe Vidéotron ltée (ME/TSE: VDO) today announced the results of the first nine months of its financial year and of the third quarter ended May 31, 1999.

The company's Internet subscriber base has continued to grow: the number of high-speed Internet access subscribers has grown fivefold in one year, from 4,208 to 22,060, bringing the total number of Internet subscribers to 91,474 as of May 31, 1999. Starting this fall, Vidéotron will be in a position to offer high-speed Internet to almost 1.2 million homes in Québec. In addition, digital television, launched last March, has already attracted 8,000 users.

For the first nine months of fiscal 1999, consolidated revenue totaled \$810,007,000, an increase of 5.1% compared to \$770,998,000 for the same period in fiscal 1998 (an increase of 12.0% based on pro forma revenues of \$722,962,000, excluding the impact of the Alberta operations sold in August 1998). Operating income before depreciation and amortization was \$231,731,000 compared to \$246,562,000 for the nine months in the previous fiscal year (\$225,687,000 on a pro forma basis, an increase of 2.7%).

Depreciation and amortization for this period in 1999 totaled \$162,439,000 compared to \$148,774,000 for the corresponding period in 1998. A significant portion of the increase is attributable to continued telecommunications network build out in business telecom, cable operations in the U.S. and the upgrade of the Canadian cable network. Financial charges increased to \$111,425,000 compared to \$96,823,000 for the first nine months of fiscal 1998, reflecting higher levels of debt at OpTel Inc., Groupe Vidéotron's U.S. subsidiary.

As one-time charges, in addition to the \$20,556,000 expense in the first semester of 1999 related to the early redemption of approximately US\$ 116,000,000 in debt, the company reported a charge of \$4,061,000 for the monitoring costs associated with the Year 2000 transition and an exchange gain of \$7,567,000 from the transfer of funds held overseas.

Including all items, the net loss for the first nine months was \$105,253,000 (\$0.93 per share), compared with a net loss of \$32,041,000 (\$0.29 per share) for the first nine months of the previous year. Excluding extraordinary and one-time items as well as the net loss from its U.S subsidiary, OpTel, the company reported net income of \$13,121,000 (\$0.12 per share) compared to net income of \$16,221,000 (\$0.15 per share) for Canadian operations in the similar period of the previous fiscal year.

These results indicate sustained growth of the company in key market segments. Le Groupe Vidéotron considers that it is more than ever in a position to play a strategic role in the development of telecommunications.

CABLE TELEVISION, TELECOMMUNICATIONS AND OTHER SERVICES: VIDÉOTRON COMMUNICATIONS INC. Operating revenues for the first nine months of fiscal 1999 were \$522,407,000 compared to \$532,050,000 (\$484,014,000 on a pro forma basis, excluding the figures for the Alberta operations) for the similar period in 1998. The revenue increase reflects the consolidation of tiered services and growth in Internet and business services. Operating expenses increased primarily as a result of the launch of the new Vidéotron Business Network.

This resulted in an increase in operating income before depreciation and amortization to \$181,504,000, compared to \$175,834,000 for the corresponding period of fiscal 1998, excluding \$20,875,000 for the results of the Alberta operations sold at the end of fiscal 1998.

As at May 31, 1999, the company's cable television subsidiaries in Québec had 1,532,697 basic service subscribers compared to 1,428,208 basic service subscribers on the same date a year ago. Of residential subscribers, 1,171,219 subscribed to extended basic tier services for a penetration rate of 83.4%. Internet access services had 91,474 clients and paging services had 17,645, compared to 52,834 and 10,601 respectively a year ago.

VIDÉOTRON LTÉE For the first nine months of fiscal 1999, consolidated operating revenue of Vidéotron ltée, Groupe Vidéotron's subsidiary servicing the residential cable television market, was \$435,081,000 compared to \$421,658,000 for the similar period in the last fiscal year, for a net increase of 3.2%. The acquisition of smaller cable television systems in the fourth quarter of 1998 and the first quarter of 1999, the impact throughout 1999 of tiered services introduced in the fall of 1997 and the inclusion of pay television and discretionary services in the results of Vidéotron ltée since September 1, 1998 more than offset the decrease resulting from the disposal of cable television operations in Alberta and Ontario.

The operating revenue before amortization and depreciation was \$166,502,000 compared to \$172,287,000 for the first nine months of the previous fiscal year, (\$138,588,000 on a pro forma basis and excluding the Alberta and Ontario operations).

For the first nine months of 1999, the net revenue of Vidéotron ltée rose to \$18,089,000 (\$7.50 per common share), compared to a loss after extraordinary item of \$21,169,000 (\$8.77 per common share).

BROADCASTING; TVA GROUP INC. For the nine first months ended May 31, 1999, operating revenues increased by 13.2% to \$195,553,000 compared to \$172,810,000 for the similar period in the previous fiscal year. This increase came from broadcasting and home-shopping activities. Operating income before amortization and depreciation was \$59,772,000 compared to \$48,835,000 for the first nine months of fiscal 1998, an increase of 22.4%.

PRIVATE CABLE TELEVISION IN THE UNITED STATES: OPTEL, INC. OpTel continued to grow in revenue and subscribers. Operating revenue for the first nine months of fiscal 1999 increased 49.5% to \$95,668,000 compared to \$63,987,000 for the similar period in fiscal 1998. Loss from operations before amortization and depreciation was \$5,883,000 compared to an operating income before amortization and depreciation of \$5,094,000 for the first nine months of the previous year.

As at May 31, 1999, OpTel had 217,750 cable television subscribers for a penetration rate of 54.8% and 182,341 pay television subscribers for a penetration rate of 83.7%. Telephone lines in service more than doubled compared to last year with 16,560 lines for a penetration rate of 33.4%.

Having withdrawn its proposed IPO, OpTel is exploring financing alternatives to fund its operations for the following twelve months. OpTel is in preliminary negotiations with Le Groupe Vidéotron Ltée for a portion of the required financing for this period. OpTel currently has cash on hand that it expects will be sufficient to fund its operations for approximately 90 days.

Le Groupe Vidéotron Ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, Internet, telecommunications, broadcasting, and remote surveillance. In the United States, the company owns a private cable television and telephony company. Vidéotron, which celebrates its 35th anniversary this year, is a leader in information highway development through the know-how acquired with the Vidéoway multimedia system and its integrated cable/telephony experience in the United Kingdom. The company has approximately 5,000 employees and its revenues exceeded \$1 billion last year.

Friday, July 9 1999

Y2K compliance: Vidéotron ends the testing of its operations with success

Montréal, July 9, 1999 -Vidéotron Communications inc. reached a major milestone with the completion of the vast majority of tests to ensure compliance for the Year 2000. The company can state with confidence that the necessary measures are now in place to ensure that its operations as well as its residential and business services in Québec comply to the criteria established for its Y2K conversion project, namely the ability to make the transition without any interruption in operations and with no ambiguity in recognizing the century and date, including the fact that the Year 2000 is a leap year. "We wish to inform our 1.5 million residential subscribers, as well as corporate customers on our Business Network, that the completion of our Y2K conversion project represents the culmination of two years of intensive effort across the company and its subsidiaries. We invested \$17 million in the conversion effort which was overseen by top management," said Claude Chagnon, President and Chief Executive Officer of Vidéotron Communications inc.

The Y2K conversion project not only ensures the conformity of Vidéotron's operations and services, but requires at the very least its suppliers and major clients to issue declarations about their own conformity.

Vidéotron Communications inc. (VCI) is a subsidiary of Le Groupe Vidéotron Ltée, an international communications company. VCI is an integrated communications company bringing together all of Vidéotron's telecommunications operations in Canada. Its subsidiaries offer services in telephony, telecommunications, cable television, remote surveillance and interactive multimedia development. VCI is a leader in information highway development as a result of its subsidiaries and of its parent company's experience in multimedia development and in integrated telephony and cable television in Canada, the United States and the United Kingdom.

Wednesday, August 18, 1999

LE GROUPE VIDÉOTRON LTÉE DECLARES A DIVIDEND

Montreal, August 18, 1999 -- The Board of Directors of Le Groupe Vidéotron Ltée declared a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share.

The dividend will be payable on September 21, 1999 to shareholders of record on September 1st, 1999.

Le Groupe Vidéotron Ltée is an international communications company. Its subsidiaries in Canada offer services in cable television, Internet, telecommunications, broadcasting, and remote surveillance. In the United States, the Company owns a private cable television and telephony company. Vidéotron, which celebrates its 35th anniversary this year, is a leader in information highway development through the know-how acquired with the Vidéoway multimedia system and its integrated cable/telephony experience in the United Kingdom. The Company has annual revenues exceeding \$1 billion and approximately 5,000 employees.

Thursday, August 26 1999

VIDÉOTRON AND LAURENTIAN BANK: PARTNERSHIP

Montreal, August 26, 1999 - Mr. Claude Chagnon, CEO of Vidéotron Communications Inc., and Mr. Henri-Paul Rousseau, CEO of the Laurentian Bank of Canada, today announced that they have signed a Memorandum of Understanding confirming their intention of forming a joint venture aimed at delivering premier financial services in Canada. Mr. Claude Chagnon highlighted the importance of the partnership.

"This is a powerful growth vehicle which leverages our existing assets, such as our longstanding relationship with 2.3 million households, our brand and our understanding of the market place. Our extensive distribution networks, namely our Internet portal, InfiniT, and the SuperClub Vidéotron's 140 retail outlets, allow us to offer products with a significant cost advantage to our customers." Mr. Rousseau also described the joint venture as the next logical step in the Laurentian Bank's evolution; "We already offer many private-label services in Canada, such as our agency services to independent financial advisors, or the cash management accounts for the investment industry. We are very excited to work with a partner of Vidéotron's calibre." Subject to appropriate regulatory approvals, the joint venture is expected to be operational by Christmas 1999 and product details will be announced in due time. Vidéotron Communications inc. (VCI) is a subsidiary of Le Groupe Vidéotron Itée, an international communications company. VCI is an integrated communications company bringing together all of Vidéotron's telecommunications operations in Canada. Its subsidiaries offer services in telephony, telecommunications, cable television, remote surveillance and interactive multimedia development. VCI is a leader in information highway development as a result of its subsidiaries and of its parent company's experience in multimedia development and in integrated telephony and cable television in Canada, the United States and the United Kingdom. Founded in 1846, Laurentian Bank ranks seventh among Canadian banks (under Schedule I of Bank Act), with assets over \$13.5 billion. Over the last ten years, the Bank has experienced a level of growth that has nearly tripled its balance sheet assets and increased its assets under administration tenfold. The Bank offers highly competitive products and superior personalized service to meet the banking and financial needs of individuals and small and medium-sized businesses.

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Thursday, August 26 1999

Vidéotron expands its local telephone service

Vidéotron expands its local telephone service Businesses in Longueuil, St-Jean-sur-Richelieu and Pont-Viau can now choose their supplier (Montreal, August 25, 1999) – Vidéotron Business Network, a business name of Vidéo-tron Télécom (1998) Itée, now offers local telephone service to businesses in Longueuil and Saint-Jean- sur-Richelieu on the South Shore, and Pont-Viau, in the heart of Laval. The service has been up and running since August 10 in Pont-Viau, August 13 in Saint-Jean-sur-Richelieu, and August 20 in Longueuil. "By providing local telephone services in these markets, Vidéotron Business Network is offering true one-stop shopping for communications services capable of meeting business customers' complete needs," said Pierre Leduc, Vice-President – Marketing and Planning, Vidéotron Business Network. Since telephone number portability is now active in these three new service areas, customers interested in signing up for Vidéotron services can change their local service supplier and keep the same phone numbers. "By providing a full range of services ranging from local and long-distance telephony, Internet access and Web site hosting, Vidéotron is enabling business customers to streamline administration and achieve economies of scale," added Pierre Leduc. The Canadian Radio-Television and Telecommunications Commission (CRTC) opened the door to competition in local telephone services when it deregulated this sector in the spring of 1997.

Vidéotron Télécom was the first company to serve notice of its intent to take advantage of deregulation and began offering local telephone services throughout most of the island of Montreal in spring 1998, thus competing against the traditional supplier. One year later, in May 1999, Vidéotron Business Network extended its services to businesses in the Quebec City area. .../2 .2 Vidéotron Business Network and its sister company Vidéotron Télécom Itée., both sub-sidiaries of Vidéotron Communications Inc., have experienced strong growth and are increasingly becoming a one-stop telecommunications service provider. Vidéotron Télé-com operates a local and regional network comprising more than 6,800 km of fibre-optic cable. With this infrastructure, coupled with leading-edge technology and high-caliber expertise, Vidéotron Business Network can provide its business customers with a complete range of telecommunications services, including high-speed data transmission, videoconferencing, Web site creation and local and long-distance telephone services. Vidéotron Business Network has its headquarters in Montreal, Quebec.

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Friday, September 17 1999

Vidéotron tops one million bidirectional homes in Quebec

A CRUCIAL STEP IN THE SUPPLY OF ADVANCED TELECOMMUNICATIONS SERVICES

MONTREAL, SEPTEMBER 8, 1999 - Vidéotron ltée has reached an important landmark in the modernisation of its Quebec network. More than 1.2 million homes are now bidirectional, which means they have access to a new generation of advanced telecommunications services.

"This is excellent news for many of our customers who are truly entering a new era in telecommunications and cable television services," said Jean-Charles Dagenais, Vice President, Engineering and Networks. "In terms of technology, we have the platform to offer new services that require bidirectionality, such as high-speed Internet access, digital television and, soon, basic telephone services through cable."

Started in 1996, the transformation of conventional cable into a hybrid fiber-optic/coaxial cable (HFC) architecture, has allowed Vidéotron to increase significantly the power of its network, while also improving the quality and reliability of its services. In total, Vidéotron will have spent more than \$232 million in modernizing its network.

Throughout the territories serviced by Vidéotron, 1.2 million homes have been converted to the bidirectional mode. "During the upcoming months, Vidéotron will concentrate its efforts on offering as quickly as possible all the new services to the entire territory," Mr. Dagenais pointed out.

At the end of its modernization program, in August 2000, Vidéotron will have wired the entire Quebec territory, using more than 5,000 kilometres of fiber-optic cable, forming the framework of its hybrid HFC network. In addition, there are 22,000 kilometres of coaxial cable. This new configuration gives Vidéotron an important technological advantage, which permits it to deliver a variety of signals directly into the customers' homes.

Vidéotron ltée reaches 2.3 million homes in Quebec and handles nearly 80 per cent of the province's cable television market with a total of 1.5 million subscribers. Vidéotron ltée is a subsidiary of Vidéotron Communications inc. (VCI), an integrated communications company offering services in telephony, telecommunications, cable television, and remote surveillance in Canada. VCI is a leader in information highway development as a result of its subsidiaries' and of its parent company's experience in multimedia development and in integrated telephony and cable television in Canada, the United States and the United Kingdom.

Friday, September 17 1999

VIDÉOTRON AND TVA JOIN FORCES

Montréal, September 16, 1999 - Vidéotron Communications inc. and the TVA Group Inc. have announced that they are combining their strengths to create a new Internet company. Motivated by the success of the InfiniT portal and the TVA Web site, the shareholders of TVA and Vidéotron have appointed entrepreneur Pierre Simon President of this new company, to be called InfiniT.com.

David Cliche, Québec Minister Responsible for the Information Highway and Government Services, and Agnès Maltais, Québec Minister of Culture and Communications, took part in the official launch of the new company.

Until very recently a service of Vidéotron Communications, InfiniT now becomes a legal entity. Billing itself as "the essential Québec gateway to the Internet," InfiniT offers real-time French-language information content and services in the area of personal finance and entertainment, in addition to facilitating exploration of the Internet and encouraging electronic exchanges and e-commerce. The site will be transformed by November in order to reflect the new partnerships, and will be accessed at www.infiniT.com.

Vidéotron Communications, the TVA Group and Mr. Simon will inject more than \$18.5 million to start up the new company and are committed to investing at least another \$35 million to grow InfiniT in the coming years.

Explaining the reasons for the launch of this new company, Claude Chagnon, President and Chief Executive Officer of Vidéotron Communications, said: "With 1.5 million Vidéotron subscribers, the TVA Network's audience of millions and the 6 million monthly visits on TVA's and InfiniT's sites, Mr. Simon and his team already enjoy a unique springboard for the development of a powerful Internet company in Québec. This exclusive consumer base will have access to a whole range of new services to be launched soon by InfiniT."

Daniel Lamarre, President and Chief Executive Officer of the TVA Group, stated: "Television networks all around the world are becoming involved in Internet development. This makes even more sense for TVA in light of its unique expertise in product sales through television home shopping, which we see as the first generation of e-commerce."

Explaining the new Company's approach, Mr. Simon said: "Because of TVA and Vidéotron, we are becoming a major player in Québec right off the bat. We will be developing many more strategic alliances in the coming months in order to quickly create new content and new transaction sources."

Initial developments for InfiniT

Mr. Simon announced five major projects that reflect InfiniT's new strategic direction:

- 1) Participation in a career and classified advertising project on Internet with La Presse and Néosim (Recru-Direct);
- 2) Participation in the development of an Internet financial services project with the Laurentian Bank and Vidéotron;
- 3) Participation in the private financing of Netgraphe (La Toile du Québec);
- 4) Moving of the Company to Montréal's Cité du Multimédia district and creation of 25 new jobs within a year; 5) An initial public offering as soon as possible.

In naming Pierre Simon President of InfiniT, Vidéotron and TVA have made an appointment that will expedite the new Company's development. Mr. Simon's solid business experience and his immense expertise in both the communications and marketing fields make him exactly the right partner to head InfiniT and lead its growth.

The TVA Group was founded in 1960 as Télé-Métropole inc. With more than 1,000 employees, it is North America's largest privately owned producer, broadcaster and distributor of French-language entertainment, information and public affairs programming. Its broadcasting subsidiary, the TVA Network, is the francophone market leader, with a 40% market share.

Vidéotron Communications inc. is an integrated communications company offering telephony, telecommunications, TV broadcasting and remote security services in Canada. Vidéotron Communications has built its leadership on the expertise of its subsidiaries and the parent company in developing and providing services related to the information highway, multimedia and integrated telephony and telecommunications in Canada, the United States and the United Kingdom.

Friday, September 24 1999

AGREEMENT BETWEEN VIDÉOTRON AND OPTION CONSOMMATEURS

Montreal, September 23, 1999 - Following an agreement in principle between Vidéotron and Option Consommateurs, some Vidéotron Itée customers billed on an annual or semi-annual basis will receive a credit of about \$4 at the beginning of next year. This agreement is further to steps undertaken a few months ago by Option Consommateurs to initiate class action proceedings against Vidéotron following the creation of the TéléMax tier in 1997.

After repeated discussions, both parties concluded that the interests of Vidéotron's customers would best be served if each dropped its claims and an amicable settlement was reached. Vidéotron's acceptance of this settlement demonstrates its good corporate citizenship and concern for its customers.

The agreement is subject to approval by the Superior Court of Quebec. A first step in the legal process was taken today by Option Consommateurs, which filed a motion to authorize a class action with the Superior Court. The proposed agreement was also submitted to the Court which will hold a hearing regarding its approval.

The dispute As will be recalled, the TéléMax tier was created in September 1997, following the CRTC's decision to authorize the launch of new French-language specialty services, namely TéléToon, Canal Vie, MusiMax and LCN. The CRTC also expressed its concern about the viability of these new French-language services. It was in response to this concern that Vidéotron, like other cable TV operators before it, decided to bundle the new services with others that enjoy a higher profile, namely Canal D, Musique Plus and RDS.

It was following this decision that Option Consommateurs began to receive complaints. The consumer advocacy group claimed that Vidéotron subscribers who had paid in advance for six or twelve months for the old basic service were entitled to receive Canal D, Musique Plus and RDS at the rate applicable for the entire pre-paid period. Vidéotron, for its part, considered that rate protection did not apply because the increase was necessary to ensure the successful introduction of new services and compliance with CRTC directives.

.../2 Who will be entitled to a credit?

Among other things, the settlement provides for an amount of \$315,000 to be divided equally among Vidéotron customers who, as at September 3, 1999, were billed on an annual and semi-annual basis and might have been inconvenienced by the new packaging after having pre-paid their subscription.

The agreement covers 73,435 customers throughout Quebec-5% of all Vidéotron customers. It does not apply to customers in the CF Cable and Vidéotron (Laurentian) territories, since their rates were already subject to tiering. Nor does it apply to subscribers in the Rivière-du-Loup, Charlevoix and Lower St. Lawrence regions, since the former cable TV operators had offered no rate protection to customers billed on an annual or semi-annual basis.

In addition, the settlement provides for an amount of up to \$50,000 to erase for the balances owed still appearing on customers' accounts due to the introduction of the tier.

Friday, September 24 1999

VIDÉOTRON'S HIGH-SPEED INTERNET ACCESS

SHERBROOKE, September 23, 1999 - Vidéotron Itée today announced the startup of its high-speed Internet access service in Sherbrooke and certain surrounding areas. Access to the Internet is now available to 80% of the customer base in the immediate Sherbrooke area either by high-speed cable or dialup modem.

"Using cable modem technology on our wideband coaxial cable network allows for ultra-rapid access. Downloading a multimedia file only takes a few seconds with cable modem, as opposed to an hour using dialup access," said Jacques Perron, Regional General Manager. In addition, access via Vidéotron's cable frees the user's telephone line and is guaranteed at all times thanks to permanent hookup.

Vidéotron offers unlimited access (provided certain conditions are met) to its cable TV customers. The monthly rate is a very affordable \$29.95 for anyone also subscribing to Vidéotron's cable TV service.

Vidéotron's cable TV customers can buy the cable modem for \$199 with no installation cost. This purchase price is conditional on a one-year commitment for the cable modem service. The cable modem can also be rented for a monthly rate of \$9.95 with no obligation to commit.

"We believe that this offer will prompt a large number of net surfers to switch from dialup connection to Vidéotron's incomparably faster cable modem access," added Mr. Perron. Vidéotron is in the process of modernizing its network throughout the Sherbrooke area, which means high-speed access to the Internet will be available to nearly all area residents over the coming months.

As an Internet provider, Vidéotron offers its customers many other advantages, among them a help line available 7 days a week from 8 a.m. to 11 p.m., a "Ready to Surf" startup kit that includes the French and English versions of Microsoft Internet Explorer and Netscape Communicator on two CD-ROMs, multimedia tutorials produced by MID Multimédia, and a host of other services and options like access to news groups, Netmeetings, etc.

Introduced in 1996, Vidéotron's Internet service continues to grow and today serves more than 107,000 customers, a third of whom (33%) have opted for high-speed cable linkup. Vidéotron's Customer Service can be contacted by dialling 1 888 281-6661. Customers can also consult the web site at: <http://internet.videotron.ca/promo.html>

Vidéotron's cable Internet access. It's fast! It's fun!

Monday, October 18, 1999

GROUPE VIDÉOTRON CLOSES THE SALE OF ITS MMDS ASSETS TO SPRINT CORPORATION

Montreal, October 18, 1999 - Le Groupe Vidéotron Itée announces it has closed the sale to Sprint Corporation, through an indirect wholly-owned subsidiary, of its interest in Videotron (USA), Inc. and its subsidiaries, Wavepath Holdings, Inc. (WHI) and Videotron (Bay Area) Inc. (VBAI), for a cash consideration of US\$180 million.

Videotron (USA), Inc., through WHI and VBAI, provides high-speed Internet access and cable television through multi-point multi-channel distribution systems (MMDS).

The sale agreement, announced on May 3rd, 1999, has received all necessary approvals over the last few weeks.

Le Groupe Vidéotron Itée is an international communications company. Its subsidiaries in Canada offer services in cable television, Internet, telecommunications, broadcasting, and remote surveillance. In the United States, the Company owns a private cable television and telephony company. Celebrating its 35th anniversary this year, Groupe Vidéotron is a leader in information highway development from the know-how acquired with the Vidéoway multimedia system and its integrated cable/telephony experience in the United Kingdom. The Company has annual revenues exceeding \$1 billion and approximately 6,000 employees.

Friday, October 29, 1999

GROUPE VIDÉOTRON WRITES-OFF ITS INVESTMENT IN OPTEL AND RECLASSIFIES IT AS A DISCONTINUED OPERATION

Montreal, October 29, 1999 - Le Groupe Vidéotron Itée (ME/TSE: VDO) announces today the write-off of its investment in OpTel, Inc. - its US indirect subsidiary involved in private cable - for Cdn\$46 million, effective August 31, 1999.

The investment in OpTel, Inc. will be retroactively accounted for as a discontinued operation and reclassified as such with results no longer consolidated with those of Groupe Vidéotron. Yesterday, OpTel, Inc. announced that it intends to file a petition in the United States Bankruptcy Court in Delaware under Chapter 11 of the US Bankruptcy Code.

In its statement, OpTel explained: "The filing allows [OpTel] to operate its business in the normal fashion under court protection while it continues discussions with representatives of certain major creditors and others on a restructuring plan."

OpTel also stated: "The instant filing is occasioned by the continued need for substantial capital and, in its existing condition, inability to obtain additional public or private debt and/or equity financing."

Le Groupe Vidéotron Itée is an integrated communications company with subsidiaries in telecommunications, cable television, Internet services, television production, broadcasting, e-commerce, and remote surveillance. The Company also owns the largest chain of video stores in Quebec. Celebrating its 35th anniversary this year, Groupe Vidéotron is a leader in the development of new technologies, thanks in part to its experience with the Vidéoway interactive TV system. Also, Groupe Vidéotron's optic fiber and coaxial cable network is one of the largest interconnected and bidirectional networks in North America. With revenues exceeding \$1 billion, the Company has 5,000 employees.

Friday, October 29, 1999

**GROUPE VIDÉOTRON REPORTS 8% PRO FORMA REVENUE GROWTH IN FISCAL 1999
INTERNET SUBSCRIBERS CLOSE TO DOUBLE OVER 1998 LEVEL**

Montreal, October 29, 1999 - Le Groupe Vidéotron Itée (ME/TSE: VDO) today announced the results for the fourth quarter and fiscal year ended August 31, 1999. The year was marked by a strong competitive performance in cable television in Canada with the launch of digital services, by progress registered towards the launch of IP telephony services, as well as by continued growth in Internet access services and broadcasting.

The year was also marked by the termination of the Company's involvement in the US market with the sale of MMDS assets for a significant after-tax gain of \$116 million - which will be booked in the first quarter of fiscal 2000 - and a \$46 million write-off and reclassification as discontinued operations of its investment in OpTel, Inc. As a result of this reclassification, OpTel's results are no longer consolidated with those of Groupe Vidéotron.

"Groupe Vidéotron's results for fiscal 1999 demonstrate the strength of its positioning in the Québec communications market," said Alain Michel, chief financial officer of Le Groupe Vidéotron Itée. "We now hold all the tools to seize the growth opportunities offered by new technologies: we are meeting competition head on and our network upgrade will be completed this year. After introducing digital cable and high-speed Internet, we will continue to leverage our network investment to deliver other leading-edge services including IP telephony."

Consolidated Results

For the fourth quarter ended August 31, 1999, consolidated revenue was \$221,867,000, an increase of 5% compared to \$210,643,000 on a pro forma basis for the corresponding period of fiscal 1998. Operating income before depreciation and amortisation was \$64,988,000 compared to \$63,460,000 on a pro forma basis for the fourth quarter of the previous year. The results for 1998 have been adjusted to reflect the sale of Alberta operations in August 1998.

Depreciation and amortisation for the fourth quarter of fiscal 1999 increased to \$39,566,000 compared to \$32,694,000 for the similar period of fiscal 1998 as a result of the cable network upgrade program underway and the construction of fibre access to businesses across Québec. Decreasing debt levels and interest rates brought financial expenses to \$16,840,000 compared to \$24,938,000 for the fourth quarter of fiscal 1998.

Excluding after-tax non-recurring items and discontinued operations, the net income for the fourth quarter was \$637,000 (\$0.01 per share) compared to a net loss of \$3,725,000 (\$0.03 per share) for the fourth quarter of 1998. In 1998, the Company recorded a \$218,901,000 gain on the disposal of the Alberta operations, partly offset by a \$112,839,000 reduction in the carrying value of long-term assets, mainly interactive technology. The investment in OpTel, Inc. was retroactively accounted for as a discontinued operation and reclassified as such, resulting in a write-off of \$46,025,000 net of exchange gain and deferred income tax savings in fiscal 1999.

Taking into account these items, the net loss for the fourth quarter of fiscal 1999 was \$99,567,000 (\$0.88 per share) compared to \$16,714,000 (\$0.16 per share) in 1998.

For the fiscal year ended August 31, 1999, Groupe Vidéotron reported consolidated revenue of \$936,206,000, an increase of 8% compared to \$869,618,000 in 1998 on a pro forma basis. Operating income before depreciation and amortisation grew by 7% to \$302,602,000 compared to \$284,022,000 on a pro forma basis in fiscal 1998. The results for 1998 have been adjusted to reflect the sale of Alberta operations in August 1998.

Depreciation and amortisation totalled \$159,415,000 compared to \$153,337,000 in 1998. Financial expenses decreased to \$75,263,000 from \$92,378,000 in 1998.

The net loss for fiscal 1999 was \$204,820,000 (\$1.80 per share) compared to a net loss of \$48,755,000 (\$0.45 per share) in 1998. Excluding for both years after-tax non-recurring items and discontinued operations, the net income for fiscal 1999 would have been \$11,862,000 (\$0.10 per share) compared to \$11,781,000 (\$0.11 per share) in 1998.

Cable TV, Telecommunications and Other Services: Vidéotron Communications inc. Operating revenue for the fourth quarter of fiscal 1999 totalled \$180,002,000, an increase of 5% compared to \$171,364,000 on a pro forma basis for the similar period in 1998. Operating income before depreciation and amortisation was \$60,202,000 compared to \$59,347,000 on a pro forma basis for the corresponding period of fiscal 1998. The increase is attributable to higher revenue from extended basic tier cable TV services and growth in Internet access and business telecommunication services.

Operating income before depreciation and amortisation was \$241,706,000 compared to \$235,181,000 in fiscal 1998. The results for 1998 have been adjusted to reflect the sale of Alberta operations in August 1998.

As at August 31, 1999, the Company's cable television subsidiaries in Québec had 1,542,300 basic service subscribers compared to 1,568,100 a year before. Excluding the effect of the sale of Ontario and Alberta activities and of smaller acquisitions in Québec, this represented internal growth of 10,900 subscribers. Over the period, the penetration of the extended basic tier services remained stable at 84% of residential subscribers in Québec.

Launched in the spring, digital services met early success in the market. By year-end over 15,400 homes were subscribing to digital TV. Internet access services had 103,100 clients, up 82% compared to 56,700 a year ago. This included high-speed services, with 32,900 subscribers at 1999 year-end compared to 5,500 the year before. Overall our estimated marketshare of the Internet access market has grown to over 26% from under 20% a year ago. Paging services had 18,700 clients at the end of fiscal 1999 compared to 13,000 twelve months earlier.

Vidéotron Itée For the fourth quarter ended August 31, 1999, consolidated operating revenue of Vidéotron Itée, Groupe Vidéotron's subsidiary serving the residential cable television market, was \$145,065,000 compared to \$138,509,000 on a pro forma basis for the fourth quarter of 1998. Operating income before depreciation and amortisation for the fourth quarter totalled \$51,770,000 compared to \$54,108,000 on a pro forma basis for the similar period of fiscal 1998. The results for 1998 have been adjusted to reflect the sale of Alberta operations in August 1998. Vidéotron Itée's net income for the fourth quarter of fiscal 1999 was \$5,484,000 compared \$163,472,000 last year. The net income for 1998 included a \$218,901,000 pre-tax gain on the disposal of cable television and telecommunications operations in Alberta.

For fiscal 1999, Vidéotron Ltée posted consolidated operating revenue of \$580,146,000 compared to \$574,574,000 in 1998. Operating income before depreciation and amortisation was \$218,272,000 compared to \$234,562,000 for fiscal 1998. Net income for fiscal 1999 was \$23,573,000, or \$9.77 per share compared to \$142,303,000 (\$58.99 per share) last year including the \$163,223,000 after-tax gain on the disposal of Alberta operations.

Broadcasting: TVA Group inc.

For the fourth quarter ended August 31, 1999, operating revenues increased by 9% to \$43,498,000 compared to \$39,974,000 for the similar period in the previous fiscal year. The increase is mainly attributable to broadcasting and home-shopping activities. Operating income before amortisation and depreciation was \$4,969,000 compared to \$7,419,000 for the fourth quarter of fiscal 1998.

For fiscal 1999, operating revenues totalled \$239,051,000, an increase of 12% compared to \$212,784,000 in fiscal 1998. Operating income before depreciation and amortisation was \$64,741,000 compared to \$56,254,000 in fiscal 1998, an increase of 15%.

Note : For information purposes, the attached financial statements include a pro forma column giving effect to the MMDS sale as if it had occurred as at August 31, 1999.

Le Groupe Vidéotron Ltée is an integrated communications company with subsidiaries in telecommunications, cable television, Internet services, television production, broadcasting, e-commerce, and remote surveillance.

The Company also owns the largest chain of video stores in Quebec. Celebrating its 35th anniversary this year, Groupe Vidéotron is a leader in the development of new technologies, thanks in part to its experience with the Vidéoway interactive TV system. The Company has 5,000 employees.

Friday, October 29, 1999

LE GROUPE VIDÉOTRON LTÉE DECLARES A DIVIDEND

Montreal, October 29, 1999 -- The Board of Directors of Le Groupe Vidéotron Ltée declared a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share.

The dividend will be payable on December 21, 1999 to shareholders of record on December 1st, 1999..

Le Groupe Vidéotron Ltée is an integrated communications company with subsidiaries in telecommunications, cable television, Internet services, television production, broadcasting, e-commerce, and remote surveillance. The Company also owns the largest chain of video stores in Quebec. Celebrating its 35th anniversary this year, Groupe Vidéotron is a leader in the development of new technologies, thanks in part to its experience with the Vidéoway interactive TV system. The Company has 5,000 employees.

Monday, November 22 1999

VIDÉOTRON LAUNCHES DIGITAL TV IN HULL

New networks, attractive packages and leading-edge technology

HULL, NOVEMBER 22, 1999 - Customers of Vidéotron's digital TV service now have access to a variety of packages offering more flexibility and choice than ever, in addition to the 30 digital music channels included in the basic service. Vidéotron launched the service in the Hull region this morning, with the media and twenty or so representatives of the newest cable networks on hand.

With digital TV, Vidéotron is expanding its service offering by about 20 channels, including Home & Garden Network, Headline Sports, The Golf Channel, SpeedVision, Family Channel and Playboy Channel, as part of new packages. This means viewers can access a wider range of new specialty channels in the entertainment, music, sports, home decor and gardening categories.

"Our customers are entering the new age of cable television and telecommunications," says Mr. Guy-R. Beauchamp, Executive Vice-President, Operations, Vidéotron Ltée. "Technically speaking, we're going as far as the latest technology can take us; in terms of choice, we're going further than ever with more channels and original formulas than the competition can offer."

... / 2 Over 23,000 Vidéotron customers in the Greater Montreal area already subscribe to digital TV. The service, which was first introduced in Montreal in March of this year, is one of Vidéotron's most popular yet, gaining 1,000 new converts every week.

To bolster its marketing effort, today Vidéotron is launching a large-scale publicity campaign on the main television channels in the Hull region and in the French-language daily Le Droit.

Custom programming In addition to exceptional sound and image quality, Vidéotron's digital TV offers undeniable advantages over the competition's services. It eliminates the high cost of buying and installing an antenna and cumbersome equipment. What's more, given the capacity of Vidéotron's network, customers can receive both digital and analog TV signals at the same time.

With the advent of digital technology in the cable TV universe, Vidéotron plans to offer Enhanced TV in the near future. This new concept lets users browse the web on their television set, use e-mail and access on-line information about the program they are viewing. This new process is sure to enhance the television-viewing experience of Vidéotron customers. All these new services, including residential telephony, to be introduced in 2000, will be added to Vidéotron's unique and wide-ranging telecommunication products and leading-edge residential services.

Tuesday, November 23 1999

VIDÉOTRON TÉLÉCOM LTÉE TO EXPAND NATIONALLY WITH C\$200 MILLION INVESTMENT FROM THE CARLYLE GROUP

Montreal and Washington, D.C., November 23, 1999 –Le Groupe Vidéotron ltée (VDO: ME, TSE) and The Carlyle Group, a Washington, D.C.-based global investment firm, announced today that they have agreed to a strategic and financial alliance to create a leading national Competitive Local Exchange Carrier (CLEC) in Canada.

In one of the largest private equity investments ever made in Canada, the Carlyle Group will invest C\$200 million to acquire convertible preferred equity of Vidéotron Télécom (VTL), a wholly-owned subsidiary of Le Groupe Vidéotron ltée. Upon conversion of the preferred shares, The Carlyle Group will own close to 29% of the common stock of VTL. At the closing of the transaction, expected to occur in December 1999, the value assigned to the equity of VTL will be C\$700 million.

This strategic and financial alliance will allow VTL to accelerate its growth, to deploy business services coast to coast and to position itself as a leading business telecommunications operator in Canada. With a very solid, debt-free capital base, VTL is poised to roll out its infrastructure and services across the country with a blend of internal development and acquisitions.

"As early as the first quarter of the next year, Vidéotron Telecom will have the stature and the financial means necessary to seize market share to become a major national business telecommunications player," said the Chairman of Vidéotron Télécom, Mr. Claude Chagnon. He added, "By gaining access to a new alternative in telecommunications services, Canadian businesses are the clear beneficiaries of the alliance formed today."

"With all our investments, we seek to find value in companies whose industries we understand, and international telecommunications has been a key growth area for us," said Mr. Frank Yearly, Managing Director of The Carlyle Group. "We see VTL as the best capitalized facilities-based provider with all the prerequisites for significant growth in Canadian business telecommunications."

Over the past several years, VTL has developed a considerable broadband fiber optic network covering more than 7,000 route kilometers across Quebec. In 1997, it obtained a CLEC status with the Canadian Radio-television and Telecommunications Commission (CRTC), which allowed it to offer switched telecommunication services (voice and data) over its network. VTL already has 700 employees and, with the creation of the present alliance, expects to create hundreds more in the specialized field of telecom.

Salomon Smith Barney acted as financial advisor to Le Groupe Vidéotron ltée.

Le Groupe Vidéotron ltée is a leader in the field of telecommunications, cable television, Internet services, television production, broadcasting, e-commerce and remote surveillance services in Quebec. Celebrating its 35th anniversary this year, Groupe Vidéotron has 5,000 employees and its shares are listed on the Montreal and Toronto Stock Exchanges under the ticker symbol VDO.

The Carlyle Group is a private global investment firm based in Washington, D.C., which originates, structures and acts as lead equity investor in management-led buyouts, strategic minority equity investments, equity private placements, consolidations and build-ups, and growth capital financing. The Carlyle Group has invested some US\$3.2 billion of equity in 126 transactions. These transactions have an aggregate acquisition value of over US\$11.5 billion. Notable investments in the telecommunications field include Northpoint Communications Group Inc., Teligent Inc., Global Crossing Ltd, and many more. The firm's investment strategy is based on an industry-focused approach. Over the past decade, the Carlyle Group has developed extensive expertise and earned a solid reputation in aerospace, telecommunications, information technology services, defense and healthcare sectors.

Wednesday, December 1 1999

VIDÉOTRON LAUNCHES DIGITAL TV IN QUEBEC CITY

VIDÉOTRON LAUNCHES DIGITAL TV IN QUEBEC CITY New networks, attractive packages and leading-edge technology

QUEBEC CITY, NOVEMBER 30, 1999 - Customers of Vidéotron's digital TV service now have access to a variety of packages offering more flexibility and choice than ever, in addition to the 30 digital music channels included in the basic service. Vidéotron launched the service in the Quebec City region this morning, with the media and twenty or so representatives of the newest cable networks on hand.

With digital TV, Vidéotron is expanding its service offering by about 20 channels, including Home & Garden Network, Headline Sports, The Golf Channel, SpeedVision, Family Channel and Playboy Channel, as part of new packages. This means viewers can access a wider range of new specialty channels in the entertainment, music, sports, home decor and gardening categories.

"Our customers are entering the new age of cable television and telecommunications," says Mr. Guy-R. Beauchamp, Executive Vice-President, Operations, Vidéotron Ltée. "Technically speaking, we're going as far as the latest technology can take us; in terms of choice, we're going further than ever with more channels and original formulas than the competition can offer."

Over 23,000 Vidéotron customers in the Greater Montreal area already subscribe to digital TV. The service, which was first introduced in Montreal in March of this year, is one of Vidéotron's most popular yet, gaining 1,000 new converts every week.

"We congratulate Videotron on its continued success in launching its digital TV service, said Michael P. Harney, Scientific Atlanta corporate vice president and general manager of subscriber sector. Videotron is one of the leading cable operators in North America. Its digital roll out is changing the way consumers interact with TV."

To bolster its marketing effort, today Vidéotron is launching a large-scale publicity campaign on the main television channels in the Quebec City region and in the French-language dailies Le Soleil and Journal de Québec.

Custom programming

In addition to exceptional sound and image quality, Vidéotron's digital TV offers undeniable advantages over the competition's services. It eliminates the high cost of buying and installing an antenna and cumbersome equipment. What's more, given the capacity of Vidéotron's network, customers can receive both digital and analog TV signals at the same time.

With the advent of digital technology in the cable TV universe, Vidéotron plans to offer Enhanced TV in the near future. This new concept lets users browse the web on their television set, use e-mail and access on-line information about the program they are viewing. This new process is sure to enhance the television-viewing experience of Vidéotron customers. All these new services, including residential telephony, to be introduced in 2000, will be added to Vidéotron's unique and wide-ranging telecommunication products and leading-edge residential services.

Friday, December 3 1999

IP TELEPHONY: VIDÉOTRON READY FOR CLEC STATUS

Montreal, December 3rd, 1999 - Vidéotron Communications inc. announced today that it is in the final stages of preparation to launch its IP telephony service. In a letter sent today to the Canadian Radio-television and Telecommunications Commission (CRTC), the federal body in charge of regulating the industry, the Company stated that it now complies with all the requirements to attain competitive local exchange carrier (CLEC) status and that it intends to pursue and widen the testing of its technology and business procedures.

In a progress report on the deployment of IP telephony, the president and CEO of Vidéotron Communications, Mr. Claude Chagnon said: "In the last few months, the testing of telephony on Internet protocol, or IP telephony, has been conclusive and we are proud to announce that we have passed critical milestones for interconnection. It is all the more remarkable considering we are staking new ground with this technology, launching a capability unparalleled in the world. Everything is in place for us to enter the next phase of testing and we are confident that our digital telephony service will give our subscribers superior quality and reliability.

Vidéotron Communications began testing this new technology in July 1999 with a group of 200 users. The tests confirmed excellent quality voice transmission, and outstanding system reliability. The Company confirmed that it has also established the necessary infrastructure throughout the Greater Montreal area and successfully carried out interconnections with Bell. With this infrastructure, nearly one million homes could already have access to Vidéotron's IP telephony service.

The Company succeeded in activating various related functions, namely those linked to emergency services (911), directory assistance (411), operator (0), and assistance for the hearing impaired (711). Moreover, telephone number portability is guaranteed, which means IP telephony subscribers will keep the same number when switching carriers.

"This was made possible thanks to partnerships with leaders in the industry - Cisco Systems and Telcordia Technologies. We had the support of a highly effective team, people who agreed to enter into this project with us and meet this challenge. At this stage, Vidéotron Communications wants to salute them and emphasise how much their competence and expertise is appreciated. This unparalleled technology will offer our Quebec subscribers a tremendous benefit," concluded Mr. Chagnon.

"When Vidéotron Communications first announced its pioneering strategy for offering its customers a rich set of new world services, the technical challenges seemed daunting. Working as a team, Vidéotron, Cisco and Telcordia have made this breakthrough technology a reality," said Kevin Kennedy, Senior Vice President, Service Providers Group at Cisco Systems.

"Telcordia is at the forefront of enabling companies like Videotron deploy carrier-grade next generation network solutions," said Sanjiv Ahuja, president and chief operating officer, Telcordia Technologies. "Our suites of software products and services will help Videotron become the first cable operator to redefine itself as an integrated communications provider."

A subsidiary of Le Groupe Vidéotron Ltée, Vidéotron Communications inc. (VCI) is an integrated communications company whose subsidiaries offer services in telecommunications, Internet, cable television, e-commerce, remote surveillance and interactive multimedia development. VCI is a leader of new technology, thanks to its Vidéoway interactive television system and to its high-bandwidth network allowing it to offer, among other services, high-speed Internet access and digital television.

Thursday, December 9 1999

CLOSING OF THE CARLYLE GROUP'S C\$200 M INVESTMENT IN VIDÉOTRON TÉLÉCOM

Montreal and Washington, D.C., December 9, 1999 –Le Groupe Vidéotron Itée (VDO: TSE) and The Carlyle Group, a Washington, D.C.-based global investment firm, announced today the closing of a C\$200 million convertible preferred equity investment in Vidéotron Télécom (VTL), an indirect wholly-owned subsidiary of Le Groupe Vidéotron Itée, by Carlyle VTL Holdings L.P. as per the agreement reached on November 23, 1999.

Le Groupe Vidéotron Itée is a leader in the field of telecommunications, cable television, Internet services, television production, broadcasting, e-commerce and remote surveillance services in Quebec. Celebrating its 35th anniversary this year, Groupe Vidéotron has 5,000 employees and its shares are listed on the Toronto Stock Exchange under the ticker symbol VDO.

The Carlyle Group is a private global investment firm based in Washington, D.C., which originates, structures and acts as lead equity investor in management-led buyouts, strategic minority equity investments, equity private placements, consolidations and build-ups, and growth capital financing. The Carlyle Group has invested some US\$3.2 billion of equity in 126 transactions. These transactions have an aggregate acquisition value of over US\$11.5 billion. Notable investments in the telecommunications field include Northpoint Communications Group Inc., Teligent Inc., Global Crossing Ltd, and many more.

The firm's investment strategy is based on an industry-focused approach. Over the past decade, the Carlyle Group has developed extensive expertise and earned a solid reputation in aerospace, telecommunications, information technology services, defense and healthcare sectors.

Monday, December 13 1999

GROUPE VIDÉOTRON HOLDS ITS ANNUAL GENERAL ASSEMBLY OF SHAREHOLDERS

Montreal, December 13, 1999 - Le Groupe Vidéotron Itée will hold its annual General Assembly of Shareholders on Wednesday, December 15, 11:00 a.m. at the Sheraton Centre, 1201 René-Lévesque Blvd., Montreal, 4th floor. A press briefing will follow the assembly.

Le Groupe Vidéotron Itée is an integrated communications company with subsidiaries in telecommunications, cable television, Internet services, television production, broadcasting, e-commerce, and remote surveillance. The Company also owns the largest chain of video stores in Quebec. Celebrating its 35th anniversary this year, Groupe Vidéotron is a leader in the development of new technologies, thanks in part to its experience with the Vidéoway interactive TV system. The Company has 5,000 employees.

Thursday, December 16 1999

VIDÉOTRON SETS PRECEDENT IN INTERNET ACCESS RESALE: AGREEMENT SIGNED WITH TWO INDEPENDENT PROVIDERS INCLUDING NET COMMUNICATIONS INC.

Montreal, December 16, 1999 - Vidéotron Itée announced today it has set a precedent in cable high-speed Internet resale by signing agreements with two independent Internet service providers, in conformity with the terms established last September 14 by the Canadian Radio-television and Telecommunications Commission (Telecom Decision CRTC 99-11).

In its decision, the CRTC requires cable carriers to sell their Internet services to other Internet providers under specified terms and conditions. Cable carriers were to make these services available for resale within 90 days. As a matter of fact, Vidéotron signed its first agreement on December 15, 1999, only one day after this period expired. Today, Vidéotron concluded a similar agreement with Net Communications inc.

"We are very pleased to announce the signing of these agreements with Internet providers only one day after the CRTC decision took effect. No one can say that we dragged our feet in this matter or that our rates are unfair. In fact, Vidéotron had been working on this issue for quite a while. We will definitely take advantage of this business opportunity," declared Guy R. Beauchamp, Executive Vice President of Vidéotron Itée.

The signature of this agreement shows that the conditions provided to Internet access resellers allows them to offer their services at a competitive rate.

"We are excited about this partnership with Vidéotron as we will now be able to offer high-speed Internet to our customers," declared Luc Béland, President of Net Communications inc.

"We are thrilled and intend to pursue negotiations to achieve other similar agreements as early as possible," concluded Mr. Beauchamp.

Vidéotron Itée, a subsidiary of Le Groupe Vidéotron Itée (ME/TSE : VDO), is the largest cable television company in Quebec in terms of number of subscribers. With a broadband network that reaches 2.3 million homes, the Company also offers value-added interactive television services, pay TV and pay-per-view, as well as high-speed Internet access.

Thursday, January 13 2000

MAJOR TRANSACTION IN THE QUEBEC SECURITY INDUSTRY

Protectron inc., subsidiary of Le Groupe Vidéotron Itée, acquires

Montreal, January 13, 2000 - Protectron, the Quebec-based company with the highest annual revenue in the Canadian security market, continues to grow while consolidating its presence in both residential and business markets. By acquiring Domo-Signal inc., Protectron adds some 6,000 customers to its current base, bringing it to a total of nearly 100,000.

"Protectron is proud to announce this acquisition and considers itself fortunate to count Domo-Signal's first rate clientele among its customers. Moreover, the transaction includes the acquisition of leading-edge high-quality technology. This confirms our position as a leader of the industry in terms of revenue, growth of customer base and technological capability," said Mr. Daniel Demers, President of Protectron inc. He also assures his new clients that Protectron will do everything it can to ensure a harmonious transition. "Our remote monitoring division, Vidéotron Télésurveillance, owns the only monitoring central stations in Quebec relying on optical redundancy. Redundancy prevents system overload or service interruptions in case of major disasters in a given region. Very soon, our new customers will benefit from this most advanced technology," added Mr. Demers.

It should be noted that Domo-Signal inc.'s customers are mostly concentrated in the Montreal region, but are also located in other regions such as Quebec City, Trois-Rivières, Sherbrooke and the Laurentians. Domo-Signal inc. was a subsidiary of Joseph Élie Itée, a company affiliated to Petro-Canada.

Protectron: Rapid Growth and Job Creation

Over the last two years, Protectron has experienced important growth, sustained by dozens of acquisitions, a very low churn rate, as well as a strong increase of its internal sales.

Considering Protectron has more than doubled the number of its subscribers in the last two years, it ranks among the top ten companies in North America in terms of subscribership growth. It also saw its revenue grow 64% during the same period, while its operating income grew 31%. The number of employees increased 125%.

To maintain its growth, Protectron has recently carried out investments totalling \$2.5 million to finance the modernization of its computerized systems monitoring central stations and also to ensure the continued training of all personnel.

With more than 20 places of business in Quebec, nearly 500 qualified employees, managers, representatives, technicians and operators servicing Quebecers, not to mention numerous indirect jobs, Protectron is able to ensure a top-rate service 24 hours a day, for both residential and business customers, and this, everywhere in Quebec.

Wednesday, January 19 2000

CLAUDE CHAGNON APPOINTED CEO OF GROUPE VIDÉOTRON

The Board of Directors of Le Groupe Vidéotron Itée today announced the appointment of Mr. Claude Chagnon as president and CEO of the Company. With this decision, the Board ensures continuity in the Company's management and endorses the recent strategic repositioning initiated by Mr. Chagnon while he was head of Groupe Vidéotron's main subsidiary, Vidéotron Communications inc. Former president and CEO, André Chagnon, will remain chairman of the Board.

Following Mr. Chagnon's nomination, the Board appointed Mr. Guy-R. Beauchamp as president and CEO of Vidéotron Communications inc. (VCI). Mr. Beauchamp was executive vice-president of Vidéotron Itée.

"It is with great pride that I take on the leadership of Groupe Vidéotron with a new generation of senior managers. With people such as Guy-R. Beauchamp, Daniel Lamarre, Pierre Simon and all their collaborators, we form a team that is young, competent and experienced. Our vision of change is largely inspired by our solid roots within the Company and by our profound knowledge of the market," said Claude Chagnon

"Guy-R. Beauchamp and I both benefit from an extensive experience in the industry. For my part, I was head of VCI when we took the major strategic decisions that led us to the Internet and electronic commerce, to a Canada-wide expansion of our business telecommunications and that will soon lead to IP telephony. As for Guy, he has skilfully managed the critical reorientation that brought new residential services and the introduction of a one-stop-shop concept, all the while dealing with an increasingly competitive environment and preparing our leap into residential telephony."

"The fact that Groupe Vidéotron has carved itself an important place in our country's economy is definitely the result of relentless teamwork, inspired by an extraordinary man, André Chagnon. The visionary who founded Vidéotron 35 years ago will certainly remain an inspiration to us all, " added Claude Chagnon.

Realistic growth objectives that suit Groupe Vidéotron's ambitions

"My main objective, as I take on my new responsibilities, is to accelerate the pace of our growth thanks to many factors such as the positioning we've given ourselves in many new sectors, the geographic expansion of our business telecommunications across Canada, TVA Group's international partnerships and, finally, the world-wide reach of NETgraphe," commented Mr. Chagnon. "We will also continue exploring other partnership opportunities that will create value for our shareholders. We're aiming to double or even triple our revenue over the next five years, " he added.

Accelerated growth

The last few years and, more particularly, the last few months, have seen many important events influence the growth of Groupe Vidéotron. Below is a brief overview of the major steps that transformed the Company from a cable operator with a single product offering into a multiservice, integrated communications company in a newly competitive environment:

- Acquisition of CF Cable;
- Modernisation of its optic fiber/coaxial cable network, which reaches 2.3 million homes thanks to 10,000 km of fiber routes and 22,000 km of coaxial cable routes that make this one of the largest bidirectional and interconnected networks in North America.
- Creation of Infinit.com, mainly composed of VCI and TVA Group, which recently acquired NETgraphe whose stock market valuation approaches \$1 billion, making it one of the largest Web site portals in Quebec.
- Negotiation of one of the largest private investments ever made in Canada with The Carlyle Group's \$200 million investment in Vidéotron Télécom, Groupe Vidéotron's subsidiary that is launching into Canada's business telecommunications market.
- Sale of MMDS operations in the US, a transaction that brought an exceptional after-tax gain of \$115 million to the Company's first quarter results for fiscal 2000.
- Development of residential telephony on Internet protocol, a world first.
- Purchase of Trustar by TVA Group Inc. to pursue the integration of television, cable, Internet and content.

Claude Chagnon Career Profile

Claude Chagnon, 45, holds a bachelor's degree in business administration from École des Hautes Études Commerciales and a law degree from Université de Montréal. He was admitted to the Bar of the Province of Quebec in 1981. He had started working for the Company several years earlier, occupying positions of increasing importance within Groupe Vidéotron's different components. In 1988 he was named president of Vidéotron Itée, the largest cable company in Quebec. From 1994 to 1998, he was initially vice chairman of the Board and then president and chief operating officer of Groupe Vidéotron. During this period, the Company acquired CF Cable. Since 1998, Mr. Chagnon has acted as president and chief executive officer of Vidéotron Communications inc., a subsidiary which at the time controlled all of Groupe Vidéotron's Canadian operations with the exception of TVA Group.

Groupe Vidéotron Profile

Le Groupe Vidéotron Itée is an integrated communications company with subsidiaries in telecommunications, cable television, Internet access services, television production, broadcasting, and remote surveillance. The Company also owns the largest chain of video stores in Quebec. Celebrating its 35th anniversary this year, Groupe Vidéotron is a leader in the development of **new technologies, thanks in part to its experience with the Vidéoway interactive TV system. The Company has 5,700 employees.**

Vidéotron Communications controls the SuperClub Vidéotron video store chain and Vidéotron ltée, the largest cable company in Quebec whose service offering also includes digital TV, Internet access and telephony.

Vidéotron Télécom is the business telecommunications subsidiary of Groupe Vidéotron. It offers **point-to-point voice, data and video transport and also acts as a wholesaler for long distance telephony resellers. Under the Vidéotron Business Network banner**, it also offers all business telecommunications services, including local and long distance telephony and website hosting and design.

TVA Group (TSE: TVA.B) is North America's largest producer and broadcaster of French-language entertainment, news and public affairs programming.

NETgraphe (TSE: WWW), a subsidiary of Groupe Vidéotron, is an Internet publishing company. Its activities include content dissemination, advertising, and e-commerce, as well as web site design, creation and maintenance services.

Finally, in the international arena, the Cable Road Investments Limited subsidiary is oriented toward investing abroad in the field of residential broadband Internet services.

Wednesday, January 19 2000

VIDÉOTRON LTÉE ANNOUNCES FIRST QUARTER RESULTS FOR FISCAL 2000 : GROWING NET INCOME AND CABLE SUBSCRIBERS

Montreal, January 19, 2000 - Vidéotron ltée, a subsidiary of Vidéotron Communications inc., today announced its results for the first quarter of fiscal 2000 ended November 30th, 1999. The Company saw strong performance of cable operations. The subscriber count increased by 21,300 during the first three months of fiscal 2000 in a highly competitive environment, which shows that cable remains the prime choice among consumers.

Operating revenue reached \$149,208,000, compared to \$147,453,000 for the same period of fiscal 1999. Operating income before depreciation and amortization totalled \$53,629,000, compared to \$56,579,000 for the first quarter last year, a decrease attributable to the sale of Northern Cable Holdings Limited, that closed on November 1st, 1998.

At the end of the first three-month period of fiscal 2000, the Company had 1,563,600 subscribers to the basic service, of which 1,194,600 subscribed to the extended basic tier service (for a penetration of residential subscribers of 84%), 250,500 to the Videoway services and 186,700 to pay TV services.

During the quarter, digital TV was launched in two other urban centres, namely Hull and Quebec City, after the initial introduction in Montreal in March 1999. As at November 30th, 1999, the number of subscribers to this new service totalled close to 25,000.

Depreciation and amortization totalled \$28,533,000, compared to \$32,283,000 for the first quarter of fiscal 1999, a decrease that resulted from the sale of Ontario operations. Financial expenses were \$13,304,000, compared to \$12,835,000 for the same period of the previous year. This slight increase is linked to a small rise in the Company's indebtedness. Net income has climbed to \$6,521,000 (\$2.70 per common share), compared to a net loss of \$356,000 (\$0.15 per common share) for the same period of fiscal 1999.

Vidéotron ltée, a subsidiary of Vidéotron Communications inc., is the largest cable company in Quebec. Vidéotron ltée offers a variety of services, including digital television, pay TV, pay-per-view, and interactive television. On behalf of an affiliated company, it also offers dial-up and cable modem Internet access.

Thursday, January 20 2000

GROUPE VIDÉOTRON AND CF CABLE TV INC. CALL TWO OUTSTANDING DEBT ISSUES

Montreal, January 20, 2000 - Le Groupe Vidéotron ltée (TSE: VDO) , announces that it will redeem on February 15, 2000 its 10 5/8% Senior Notes due 2005 with an original principal amount of US\$200,000,000 of which US\$699,000 remains outstanding. These Notes will be redeemed at a price of 104.8% of the principal, together with accrued and unpaid interest from the last date of payment.

Vidéotron ltée announces that CF Cable TV Inc., its wholly-owned cable television subsidiary, will redeem on February 15, 2000 its 11 5/8% Senior Secured Second Priority Notes due 2005 with an original principal amount of US\$110,000,000 of which US\$84,110,000 remains outstanding. These notes will be redeemed at a price of 105.8125% of the principal, together with accrued and unpaid interest from the last date of payment.

Serge Morel
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Thursday, Januray 20 2000

LE GROUPE VIDÉOTRON LTÉE DECLARES A DIVIDEND

Montreal, January 20, 2000 -- The Board of Directors of Le Groupe Vidéotron ltée declared a dividend of \$0.015 per Multiple Voting Share and per Subordinate Voting Share.

The dividend will be payable on March 21, 2000 to shareholders of record on March 1st, 2000.

Le Groupe Vidéotron ltée is an integrated communications company with subsidiaries in telecommunications, cable television, Internet services, television production, broadcasting, e-commerce, and remote surveillance. The Company also owns the largest chain of video stores in Quebec. Celebrating its 35th anniversary this year, Groupe Vidéotron is a leader in the development of new technologies, thanks in part to its experience with the Vidéoway interactive TV system. The Company has 5,000 employees.
