



**PRESS RELEASE**  
**For immediate release**

## **Cogeco Cable announces higher than projected growth in 2009**

**Montréal, December 10, 2009** – Cogeco Cable (the “Corporation”) (TSX: CCA) presented 2009 financial year-end results that exceeded projections despite a write-down in the value of its European subsidiary. The results were presented at the Corporation’s Annual Meeting of Shareholders, held in Toronto.

- Consolidated revenue for 2009 grew by \$141 million to total \$1,217.8 million, a 13.1% increase over the previous year. Consolidated operating income before amortization<sup>(1)</sup> was up 17.7% to \$524.4 million. This performance is due mainly to growth in revenue-generating units (“RGU”)<sup>(2)</sup>, rate increases and recent acquisitions in Canada.
- The Corporation recorded a net loss of \$256.7 million for the year. This loss was affected by the impairment loss of \$383.6 million net of related income taxes recorded on the Corporation’s investment in Cabovisão, the unfavourable impact of \$6.1 million from the utilization of Cabovisão’s pre-acquisition tax losses and a favourable impact from the reduction of withholding and stamp tax contingent liabilities in the amount of \$16.1 million, both in Cabovisão, and the favourable impact of \$13.4 million from the Part II licence fee settlement agreement net of related income taxes. Excluding the effect of these items, adjusted net income for fiscal 2009 amounted to \$103.6 million compared with \$109.3 million in 2008.
- Free cash flow<sup>(1)</sup> was \$95.4 million, down 3.5% over the previous year but 19.3% above the April 2009 revised projections. The operating margin rose to 43.1% from 41.4%.
- Cogeco Cable recorded an increase of 175,364 RGU, well above the 100,000 projected, due mainly to solid growth in Digital Television customers in both Canada and Europe.

“Our Canadian cable distribution operations are the picture of health. Even in spite of the tough economic times, customers continue to have a particular soft spot for our services in their information and entertainment choices. As far as the situation of our stock price, we believe that it remains undervalued. We foresee that the stock will reach a more representative value in 2010 primarily thanks to our strategy, an upturn in the economy and the return of confidence in the markets. The recovery plan implemented in the spring by our European subsidiary has started to bear fruit and we won more than 20,000 customers for the different lines in the fourth quarter, which offsets losses incurred in the previous quarters,” stated Louis Audet, President and Chief Executive Officer of Cogeco Cable.

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<sup>1</sup> The indicated terms do not have standard definitions prescribed by Canadian Generally Accepted Accounting Principles (“GAAP”) and therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the “Non-GAAP financial measures” section of the Management’s discussion and analysis of the 2009 Corporation Annual Report.

<sup>2</sup> Represent the sum of Basic Cable, High Speed Internet (“HSI”), Digital Television and Telephony service customers.

## **FORWARD-LOOKING STATEMENTS**

Certain statements in this press release may constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to Cogeco Cable's future outlook and anticipated events, business, operations, financial performance, financial condition or results and, in some cases, can be identified by terminology such as "may"; "will"; "should"; "expect"; "plan"; "anticipate"; "believe"; "intend"; "estimate"; "predict"; "potential"; "continue"; "foresee", "ensure" or other similar expressions concerning matters that are not historical facts. In particular, statements regarding the Corporation's future operating results and economic performance and its objectives and strategies are forward-looking statements. These statements are based on certain factors and assumptions including expected growth, results of operations, performance and business prospects and opportunities, which Cogeco Cable believes are reasonable as of the current date. While management considers these assumptions to be reasonable based on information currently available to the Corporation, they may prove to be incorrect. The Corporation cautions the reader that the current adverse economic conditions make forward-looking information and the underlying assumptions subject to greater uncertainty and that, consequently, they may not materialize, or the results may significantly differ from the Corporation's expectations. It is impossible for Cogeco Cable to predict with certainty the impact that the current economic downturn may have on future results. Forward-looking information is also subject to certain factors, including those described in the "Uncertainties and Main Risk Factors" section of the 2009 Annual Report that could cause actual results to differ materially from what Cogeco Cable currently expects. These factors include technological changes, changes in market and competition, governmental or regulatory developments, general economic conditions, the development of new products and services, the enhancement of existing products and services, and the introduction of competing products having technological or other advantages, many of which are beyond the Corporation's control. Therefore, future events and results may vary significantly from what management currently foresees. The reader should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While management may elect to do so, the Corporation is under no obligation (and expressly disclaims any such obligation), and does not undertake to update or alter this information before the next quarter, except as required by law.

This press release should be read in conjunction with the 2009 Corporation's Annual Report prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). Throughout this press release, all amounts are in Canadian dollars unless otherwise indicated.

## **ABOUT COGECO CABLE**

Cogeco Cable ([www.cogeco.ca](http://www.cogeco.ca)), a telecommunications company offering a diverse range of services to its customers in Canada and Portugal, is the second largest cable operator in Ontario, Québec and Portugal, in terms of the number of Basic Cable service customers served. Through its two-way broadband cable networks, Cogeco Cable provides its residential customers with Audio, Analogue and Digital Television, as well as HSI and Telephony services. Cogeco Cable also provides its business customers with data networking, e-business applications, video conferencing, web hosting, Ethernet, private line, VoIP, HSI, black fibre, data storage and security, and co-location services and other advanced communication solutions. Cogeco Cable's subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CCA).

**Information:** Marie Carrier  
Director, Corporate Communications  
Tel.: (514) 764-4700