PRESS RELEASE
For immediate release

Cogeco Cable posts solid Q4 results and exceeds most of its fiscal 2011 financial objectives despite Cabovisão write-off

Montréal, October 26, 2011 – Today, Cogeco Cable Inc. (TSX: CCA) ("Cogeco Cable" or the "Corporation") announced its financial results for the fourth quarter and fiscal year ended August 31, 2011.

For the fourth quarter and fiscal 2011:

- Fiscal 2011 fourth-quarter consolidated revenue improved by $25.8 million, or 8% to reach $350.2 million, when compared to the prior year. For the 2011 fiscal year, consolidated revenue grew by $79.8 million, or 6.2% to reach $1,361.2 million;

- Fiscal 2011 fourth-quarter operating income before amortization(1) increased by $19.9 million, or 14.4%, to reach $158.1 million. For fiscal 2011, consolidated operating income before amortization grew by $55.9 million, or 11% to reach $566 million;

- Consolidated operating margin(1) increased to 45.1% for the quarter compared to 42.6% for the corresponding period of the prior year, and to 41.6% during fiscal 2011 compared to 39.8% the year before;

- Fourth-quarter 2011 consolidated net income amounted to $69.6 million, or $1.43 per share, compared to $39.7 million, or $0.82 per share for the corresponding period of the prior year, increases of $29.9 million, or 75.4%, and of $0.61 per share, or 74.4%, respectively;

- In the third quarter of fiscal 2011, a write-off of the Corporation's net investment in its Portuguese subsidiary Cabovisão-Televisão por Cabo, S.A. ("Cabovisão") was recorded through a non-cash impairment loss in the amount of $225.9 million as a result of the severe decline in the economic environment in Portugal, with the Country ultimately requiring financial assistance from the International Monetary Fund and the European Central Bank, combined with subscriber losses in the third quarter despite additional marketing initiatives designed to generate RGU growth in the near term;

- In fiscal 2011, the Corporation redeemed the $175 million Senior Secured Notes Series B, bearing interest at 7.73%, from the net proceeds of the issuance, in the first quarter of fiscal 2011, of the $200 million Senior Secured Debentures Series 2, bearing interest at 5.15%. A one-time make-whole premium of $8.8 million was paid on the redemption, which increased financial expense;

- Consolidated net loss for fiscal 2011 amounted to $47.7 million, or $0.98 per share, as a result of the impairment loss described above, compared to a net income of $157.3 million, or $3.24 per share, in the prior year. Fiscal 2010 net income included a favourable income tax adjustment of $29.8 million related to the reduction of Ontario provincial corporate income tax rates for the Canadian operations. Excluding the above adjustments for both fiscal years, fiscal 2011 adjusted net income(1) would have amounted to $178.2 million, or $3.67 per share(1), compared to $127.5 million, or $2.63 per share, representing increases of $50.7 million, or 39.7%, and of $1.04 per share, or 39.5%, respectively;

- Free cash flow (1) reached $24.4 million for the quarter, representing an increase of 27.1% over the fourth quarter of the prior year. The increase in free cash flow is the result of an increase in cash flow from operations (1) outpacing the increase in capital expenditures. Free cash flow stands at $103.8 million for fiscal 2011, $71.4 million, or 40.8% lower than free cash flow of $175.1 million in fiscal 2010. The decline in free cash flow when compared to fiscal 2010 is due to an increase of $103.7 million in current income tax expense stemming primarily from the fiscal 2010 modifications to the corporate structure, the increase in financial expense and the increase in capital expenditures, which offset the increase in operating income before amortization in the current fiscal year;

- On June 27, 2011, Cogeco Cable concluded an agreement to acquire all of the shares of Quiettouch Inc. ("Quiettouch"), a leading independent provider of outsourced managed information technology and infrastructure services to mid-market and larger enterprises in Canada. Quiettouch offers a full suite of differentiated services that allow customers to outsource their mission-critical information technology infrastructure and application requirements, including managed infrastructure and hosting, virtualization, firewall services, data backup with end-to-end monitoring and reporting, and enhanced and traditional co-location services. Quiettouch operates three data centres in Toronto

(1) The indicated terms do not have standardized 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 Results overview.

and Vancouver, as well as a fibre network within key business areas of downtown Toronto. The transaction was completed on August 2, 2011;

- On August 31, 2011, Cogeco Cable concluded and completed an agreement to acquire all the shares of MTO Telecom Inc. ("MTO"). With over 1,500 kilometres of network, MTO, the largest private telecommunications provider in the Greater Montréal Area and the Province of Québec, offers high-performance Ethernet broadband connectivity services to carrier, enterprise and public sector customers;

- Revenue-Generating Units ("RGU")[(1)] grew by 38,344 net additions in the quarter and 228,111 net additions in the fiscal year, for a total of 3,407,460 RGU at August 31, 2011.

"Cogeco Cable finished fiscal 2011 with results meeting or exceeding most of our objectives. This strong performance rested primarily on our capacity to renew and enhance our products and services and satisfy our customers. In Canada, in our efforts to use bandwidth more efficiently to improve our offering for our customers, we continued deploying the DOCSIS 3.0 technology in our footprint and started migrating analogue packages to digital in several regions. On the business telecommunications side, Cogeco Data Services ("CDS") enjoyed another solid year with a positive contribution to Cogeco Cable's results. The fiscal year also ended on a high note with the integration of newly-acquired Toronto-area company Quiettouch and Greater-Montréal firm MTO., which will expand CDS' offering and open new markets. In Portugal, the economic crisis facing the country did not spare our subsidiary Cabovisão. The Portuguese government's various reforms put extra pressure on consumers spending, resulting in net customer losses, which led us to write-off Cogeco Cable's investment in Cabovisão in the fiscal year. However, Cabovisão will make every effort to hold its own until conditions return to normal.

For fiscal 2012, we anticipate continued growth in most of our performance indicators. Our primary focus will be to integrate our new acquisitions, to strengthen our competitive positioning and to continuously improve our processes and practices to spark sales growth, further enhance customer service and achieve higher customer retention,'' declared Louis Audet, President and CEO of Cogeco Cable.

Fiscal 2012 Financial Guidelines

Cogeco Cable's fiscal 2012 preliminary financial guidelines, as issued on July 6, 2011, have been updated to reflect the acquisitions of Quiettouch and MTO completed in the last quarter of fiscal 2011. Cogeco Cable now expects to achieve revenue of $1,455 million, representing growth of $94 million, or 6.9% when compared to fiscal 2011 results. Operating income before amortization should amount to $600 million, an increase of $34 million, or 6%, when compared to 2011 results. Capital expenditures and the increase in deferred charges should increase by $23 million, reaching $360 million for the 2012 fiscal year. However, free cash flow is expected to decline to $100 million. The decrease of approximately $4 million, when compared to the results for the 2011 fiscal year, is primarily due to increases in capital expenditures and increase in deferred charges and in current income tax expense, which are expected to offset the growth in operating income before amortization. Please consult the "Fiscal 2012 financial guidelines" section of the Corporation's 2011 Annual Report for further details.

(1) Represents the sum of Basic Cable, High Speed Internet ("HSI"), Digital Television and Telephony service customers.

FINANCIAL HIGHLIGHTS

($000, except percentages, RGU growth and per share data)	Quarters ended August 31, **2011** **$** **(unaudited)**	2010 $ (unaudited)	Change %	Years ended August 31, **2011** **$** **(audited)**	2010 $ (audited)	Change %
Operations						
Revenue	**350,168**	324,323	8.0	**1,361,166**	1,281,376	6.2
Operating income before amortization[1]	**158,098**	138,177	14.4	**565,983**	510,096	11.0
Operating margin[1]	**45.1%**	42.6%	–	**41.6%**	39.8%	–
Operating income	**104,630**	74,481	40.5	**318,805**	251,225	26.9
Impairment of goodwill and fixed assets	**–**	–	–	**225,873**	–	–
Net income (loss)	**69,565**	39,663	75.4	**(47,666)**	157,303	–
Adjusted net income[1]	**69,565**	39,663	75.4	**178,207**	127,521	39.7
Cash Flow						
Cash flow from operating activities	**219,509**	194,414	12.9	**515,322**	417,284	23.5
Cash flow from operations[1]	**153,351**	127,024	20.7	**440,349**	494,814	(11.0)
Capital expenditures and increase in deferred charges	**128,915**	107,799	19.6	**336,592**	319,682	5.3
Free cash flow[1]	**24,436**	19,225	27.1	**103,757**	175,132	(40.8)
Financial Condition						
Total assets	**–**	–	–	**2,735,500**	2,702,819	1.2
Indebtedness[2]	**–**	–	–	**981,214**	958,939	2.3
Shareholders' equity	**–**	–	–	**1,061,045**	1,136,301	(6.6)
RGU growth	**38,344**	64,303	(40.4)	**228,111**	287,111	(20.5)
Per Share Data[3]						
Earnings (loss) per share						
Basic	**1.43**	0.82	74.4	**(0.98)**	3.24	–
Diluted	**1.42**	0.81	75.3	**(0.98)**	3.23	–
Adjusted earnings per share[1]						
Basic	**1.43**	0.82	74.4	**3.67**	2.63	39.5
Diluted	**1.42**	0.81	75.3	**3.65**	2.62	39.3

(1) The indicated terms do not have standardized definitions prescribed by Canadian 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 Results overview.
(2) Indebtedness is defined as the total of bank indebtedness, principal on long-term debt, balance due on a business acquisition, and obligations under derivative financial instruments.
(3) Per multiple and subordinate voting shares.

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 economic uncertainties 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 this current economic environment may have on future results. Forward-looking information is also subject to certain factors, including risks and uncertainties (described in the "Uncertainties and main risk factors" section of the Corporation's 2011 annual Management's Discussion and Analysis (MD&A)) 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 foresee. 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, 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 Corporation's consolidated financial statements, and the notes thereto, prepared in accordance with Canadian GAAP and the MD&A included in the Corporation's 2011 Annual Report. Throughout this discussion, all amounts are in Canadian dollars unless otherwise indicated.

RESULTS OVERVIEW

This analysis should be read in conjunction with the Corporation's 2011 Annual Report available on SEDAR at www.sedar.com. Please refer to the Corporation's 2011 Annual Report for more details on annual results.

CANADIAN OPERATIONS

CUSTOMER STATISTICS

	August 31, 2011	Quarters ended August 31, 2011	2010	Net additions (losses) Years ended August 31, 2011	2010	% of Penetration[1] August 31, 2011	2010
RGU	**2,575,795**	**49,204**	43,707	**225,218**	190,714		
Basic Cable service customers	**877,985**	**(1,369)**	433	**3,480**	9,700		
HSI service customers	**601,214**	**7,746**	8,904	**42,157**	44,005	**70.6**	66.2
Digital Television service customers	**678,326**	**29,464**	17,472	**118,908**	61,020	**78.2**	64.8
Telephony service customers	**418,270**	**13,363**	16,898	**60,673**	75,989	**51.3**	44.4

(1) As a percentage of Basic Cable service customers in areas served.

In Canada, fiscal 2011 RGU net additions were higher than in the comparable periods of the prior year, and the Canadian operations continue to generate RGU growth despite higher penetration rates, category maturity and aggressive competition. Basic Cable service customer net losses stood at 1,369 for the quarter, compared to net additions of 433 in the fourth quarter of the prior year. Fourth quarter Basic Cable service customer losses are usual and due to the end of the school year for college and university students. For the 2011 fiscal year, Basic Cable service customer net additions stood at 3,480, compared to 9,700 in the prior year. Basic Cable service net additions in fiscal 2011 were mainly due to expansions in the network and the bundling effect of continued growth in HSI and Telephony services. In the quarter, Telephony service customers grew by 13,363 compared to 16,898 for the same period last year, and the number of net additions to the HSI service stood at 7,746 customers compared to 8,904 customers in the fourth quarter of the prior year. In fiscal 2011, Telephony service customers grew by 60,673 compared to 75,989 in fiscal 2010, and the number of net additions to the HSI service stood at 42,157 customers compared to 44,005 customers in the prior year. HSI and Telephony net additions continue to stem from the enhancement of the product offering, the impact of the bundled offer (Cogeco Complete Connection) of Television, HSI and Telephony services, and promotional activities. For the three-month period ended August 31, 2011, additions to the Digital Television service stood at 29,464 customers, compared to 17,472 for the comparable period of the prior year. For the 2011 fiscal year, additions to the Digital Television service stood at 118,908 customers, compared to 61,020 for the prior fiscal year. Digital Television service net additions are due to targeted marketing initiatives to improve penetration, the launch of new High Definition ("HD") channels, the continuing interest for HD television service and the deployment of the Digital Terminal Adapter ("DTA") technology in most of the Corporation's markets.

OPERATING RESULTS

($000, except percentages)	Quarters ended August 31, 2011 $	2010 $	Change %	Years ended August 31, 2011 $	2010 $	Change %
	(unaudited)	(unaudited)		**(audited)**	(audited)	
Revenue	**306,862**	282,155	8.8	**1,188,889**	1,093,620	8.7
Operating costs	**155,352**	152,034	2.2	**634,749**	607,072	4.6
Management fees – COGECO Inc.	**–**	–	–	**9,172**	9,019	1.7
Operating income before amortization[1]	**151,510**	130,121	16.4	**544,968**	477,529	14.1
Operating margin[1]	**49.4%**	46.1%		**45.8%**	43.7%	

(1) The indicated terms do not have standardized definitions prescribed by Canadian 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.

Driven by RGU growth combined with an increase in rentals of home terminal devices stemming from the strong growth in Digital Television services and rate increases, fourth-quarter Canadian operations revenue went up by $24.7 million, or 8.8%, to reach $306.9 million. For the year ended August 31, 2011, revenue rose by $95.3 million, or 8.7%, at $1,188.9 million. The levy amounting to 1.5% of gross Cable Television service revenue imposed by the Canadian Radio-television and Telecommunications Commission ("CRTC") in order to finance the Local Programming Improvement Fund ("LPIF") also contributed to the revenue growth in fiscal 2011.

For the fourth quarter of fiscal 2011, operating costs increased by $3.3 million at $155.4 million, an increase of 2.2% when compared to the prior year. For the year ended August 31, 2011, operating costs increased by $27.7 million, or 4.6%, at $634.7 million. The increase in operating costs is mainly attributable to servicing additional RGU, the launch of new HD channels and additional marketing initiatives.

Fiscal 2011 fourth-quarter operating income before amortization increased by $21.4 million, or 16.4%, to reach $151.5 million, and fiscal 2011 operating income before amortization amounted to $545 million, an increase of $67.4 million, or 14.1% when compared to fiscal 2010. The growth in operating income before amortization reflects the growth in revenue exceeding the increase in operating costs. The operating margin increased to 49.4% from 46.1% in the quarter, and to 45.8% from 43.7% for the year, as a result of rate increases and RGU growth.

EUROPEAN OPERATIONS

CUSTOMER STATISTICS

		Net additions (losses)				% of Penetration[1]	
		Quarters ended August 31,		Years ended August 31,		August 31,	
	August 31, 2011	**2011**	2010	**2011**	2010	**2011**	2010
RGU	**831,665**	**(10,860)**	20,596	**2,893**	96,397		
Basic Cable service customers	**255,777**	**(2,350)**	1,591	**(4,490)**	787		
HSI service customers	**162,436**	**(2,556)**	2,778	**(751)**	19,573	**63.5**	62.7
Digital Television service customers	**164,580**	**(5,182)**	12,017	**4,728**	57,099	**64.3**	61.4
Telephony service customers	**248,872**	**(772)**	4,210	**3,406**	18,938	**97.3**	94.3

(1) As a percentage of Basic Cable service customers in areas served.

Economic conditions in Portugal continued to be difficult. During the second half of fiscal 2011, and as part of the negotiated financial assistance package, the Portuguese government has committed to financial reforms which include increases in sales and income taxes combined with reductions in government spending on social programs. Please consult the "Impairment of goodwill and fixed assets" section for further details. These measures are expected to put further downwards pressure on consumer spending. The rate of growth for our services has diminished in this environment, with net customer losses across all of the Corporation's services in the European operations in the fourth quarter of fiscal 2011. The number of Basic Cable service customers decreased by 2,350 in the fourth quarter, compared to an increase of 1,591 customers in the comparable period of the prior year. For fiscal 2011, the number of Basic Cable service customers decreased by 4,490, compared to growth of 787 customers in the prior year. HSI service customers decreased by 2,556 for the quarter and 751 in the fiscal year, compared to increases of 2,778 and 19,573 in the comparable periods of the prior year. The number of Digital Television service customers decreased by 5,182 customers in the fourth quarter of fiscal 2011, compared to a growth of 12,017 customers in the same quarter of fiscal 2010. Fiscal 2011 net customer additions to the Digital Television service customers amounted to 4,728 customers, compared to 57,099 in fiscal 2010. The number of Telephony service customers fell by 772 in the fourth quarter, compared to a growth of 4,210 customers in the same period of the prior year. In the 2011 fiscal year, the number of Telephony service customers increased by 3,406, compared to 18,938 customers in the prior year.

OPERATING RESULTS

	Quarters ended August 31,			Years ended August 31,		
	2011	2010	Change	**2011**	2010	Change
($000, except percentages)	**$**	$	%	**$**	$	%
	(unaudited)	(unaudited)		**(audited)**	(audited)	
Revenue	**43,306**	42,168	2.7	**172,277**	187,756	(8.2)
Operating costs	**36,718**	34,112	7.6	**151,262**	155,189	(2.5)
Operating income before amortization	**6,588**	8,056	(18.2)	**21,015**	32,567	(35.5)
Operating margin	**15.2%**	19.1%		**12.2%**	17.3%	

Fiscal 2011 fourth-quarter European operations revenue increased by $1.1 million, or 2.7%, at $43.3 million as a result of a higher average exchange rate for the Euro when compared to the same quarter of the prior year, which offset the decline in the number of Basic Cable service customers in the fourth quarter of fiscal 2011 compared to fiscal 2010. Revenue from the European operations in the local currency for the fourth quarter amounted to €31.1 million, a decrease of €1 million, or 3.1% when compared to the prior year. Fiscal 2011 revenue amounted to $172.3 million, $15.5 million, or 8.2%, less than in the prior year. The decline in revenue was mainly due to Basic Cable service customer losses combined with the lower value of the Euro in relation to the Canadian dollar. Revenue from the European operations in the local currency for fiscal 2011 amounted to €125.4 million, representing a decrease of €5.5 million, or 4.2%, when compared to the prior year.

For the fourth quarter of fiscal 2011, operating costs increased by $2.6 million at $36.7 million, an increase of 7.6% when compared to the prior year. The increase in operating costs is mainly attributable to the impact of the higher value of the Euro in relation to the Canadian dollar. For fiscal 2011, European operations' operating costs decreased by $3.9 million, or 2.5%, at $151.3 million, as the lower value of the Euro in relation to the Canadian dollar combined with the lower cost of servicing fewer Basic Cable service customers offset the impact increases described above. Operating costs of the European operations for the quarter and fiscal 2011 in the local currency amounted to €26.4 million and €110.2 million, increases of €0.4 million and €1.8 million, respectively, when compared to €62.6 million and €108.4 million in the corresponding periods of the prior year.

Operating income before amortization decreased by $1.5 million, or 18.2%, at $6.6 million in the fourth quarter, and by $11.6 million, or 35.5%, at $21 million for the fiscal year. The decline in operating income before amortization in the quarter is the result of the increase in operating costs exceeding the growth in revenue. The decline in operating income before amortization for fiscal 2011 is mainly due to a decrease in revenue which outpaced the decrease in operating costs and the lower value of the Euro in relation to the Canadian dollar. The European operating margin decreased to 15.2% from 19.1% in the quarter and to 12.2% from 17.3% in the fiscal year when compared to the same periods of fiscal 2010.

IMPAIRMENT OF GOODWILL AND FIXED ASSETS

During the third quarter of fiscal 2011, the economic environment in Portugal continued to deteriorate, with the Country ultimately requiring financial assistance from the International Monetary Fund and the European Central Bank. As part of the negotiated financial assistance package, the Portuguese government has committed to financial reforms which include increases in sales and income taxes combined with reductions in government spending on social programs. These measures are expected to put further downwards pressure on consumer spending capacity. The rate of growth for our services has diminished in this environment, with net customer losses and service downgrades by customers in the European operations in the third quarter of fiscal 2011. In accordance with current accounting standards, management considered that this situation combined with net customer losses in the third quarter, which were significantly more important and persistent than expected, will continue to negatively impact the financial results of the European operations and indicate a decrease in the value of the Corporation's investment in the Portuguese subsidiary. As a result, the Corporation tested goodwill and all long-lived assets for impairment at May 31, 2011.

Goodwill is tested for impairment using a two step approach. The first step consists of determining whether the fair value of the reporting unit to which goodwill is assigned exceeds the net carrying amount of that reporting unit, including goodwill. In the event that the net carrying amount exceeds the fair value, a second step is performed in order to determine the amount of the impairment loss. The impairment loss is measured as the amount by which the carrying amount of the reporting unit's goodwill exceeds its fair value. The Corporation completed its impairment test on goodwill and concluded that goodwill was impaired at May 31, 2011. As a result, a non-cash impairment loss of $29.3 million was recorded in the third quarter of the 2011 fiscal year. Fair value of the reporting unit was determined using the discounted cash flow method. Future cash flows were based on internal forecasts and consequently, considerable management judgement was necessary to estimate future cash flows.

Long-lived assets with finite useful lives, such as fixed assets, are tested for impairment by comparing the carrying amount of the asset or group of assets to the expected future undiscounted cash flows to be generated by the asset or group of assets. The impairment loss is measured as the amount by which the asset's carrying amount exceeds its fair value. Accordingly, the Corporation completed its impairment test on the fixed assets of the Portuguese subsidiary at May 31, 2011, and determined that the carrying value of these assets exceeded the expected future undiscounted cash flows to be generated by these assets. As a result, a non-cash impairment loss of $196.5 million was recognized in the third quarter of the 2011 fiscal year.

The impairment loss of the Corporation's net investment in Cabovisão affected the Corporation's financial results as follows for the third quarter and 2011 fiscal year:

(in thousands of dollars)	$
Impairment of goodwill	29,344
Impairment of fixed assets	196,529
Impairment loss	225,873
Income taxes	–
Impairment loss net of income taxes	225,873

CASH FLOW ANALYSIS

	Quarters ended August 31,		Years ended August 31,	
	2011	2010	**2011**	2010
($000)	**$**	$	**$**	$
	(unaudited)	(unaudited)	**(audited)**	(audited)
Operating activities				
Cash flow from operations[(1)]	**153,351**	127,024	**440,349**	494,814
Changes in non-cash operating items	**66,158**	67,390	**74,973**	(77,530)
	219,509	194,414	**515,322**	417,284
Investing activities[(2)]	**(261,058)**	(107,776)	**(468,519)**	(319,373)
Financing activities[(2)]	**755**	(65,204)	**(27,786)**	(100,183)
Effect of exchange rate changes on cash and cash equivalents denominated in a foreign currency	**150**	402	**588**	(1,344)
Net change in cash and cash equivalents	**(40,644)**	21,836	**19,605**	(3,616)
Cash and cash equivalents, beginning of period	**96,091**	14,006	**35,842**	39,458
Cash and cash equivalents, end of period	**55,447**	35,842	**55,447**	35,842

(1) The indicated terms do not have standardized definitions prescribed by Canadian 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.
(2) Excludes assets acquired under capital leases.

During the fourth quarter of 2011, cash flow from operations reached $153.4 million, 20.7% higher than the comparable period last year, primarily due to the growth in operating income before amortization and the increase in current income tax recovery stemming from the fiscal 2010 modifications to the corporate structure which reduced the future income tax expense accordingly. Changes in non-cash operating items generated cash inflows of $66.2 million, mainly as a result of increases in accounts payable and accrued liabilities, partly offset by a decrease in income tax liabilities. In the fourth quarter of the prior year, cash inflows of $67.4 million mainly stemmed from an increase in accounts payable and accrued liabilities.

For the fiscal 2011, cash flow from operations amounted to $440.3 million, $54.5 million, or 11%, lower than the comparable period last year. This reduction is primarily due to the recognition of current income tax expense relating to the modifications to the corporate structure which reduced the future income tax expense accordingly and to the payment of a make-whole premium amounting to $8.8 million on the early repayment of the Senior Secured Notes Series B, partly offset by the increase in operating income before amortization. Changes in non-cash operating items generated cash inflows of $75 million, mainly as a result of increases in income tax liabilities and accounts payable and accrued liabilities and a decrease in income taxes receivable, partly offset by an increase in accounts receivable. The cash outflows of $77.5 million in the prior year were mainly due to a decrease in income tax liabilities combined with increases in income taxes receivable and accounts receivable, partly offset by an increase in deferred and prepaid revenue and other liabilities.

Investing activities amounted to $261.1 million in the fourth quarter and $468.5 million in the fiscal year, compared to $107.8 million and $319.4 million, respectively, for the same periods of fiscal 2010. Fourth-quarter and fiscal 2011 investing activities include the acquisitions of Quiettouch and MTO for a total amount of $132.3 million described below.

On June 27, 2011, Cogeco Cable concluded an agreement to acquire all of the shares of Quiettouch, a leading independent provider of outsourced managed information technology and infrastructure services to mid-market and larger enterprises in Canada. Quiettouch offers a full suite of differentiated services that allow customers to outsource their mission-critical information technology infrastructure and application requirements, including managed infrastructure and hosting, virtualization, firewall services, data backup with end-to-end monitoring and reporting, and enhanced and traditional co-location services. Quiettouch operates three data centres in Toronto and Vancouver, as well as a fibre network within key business areas of downtown Toronto. The transaction was completed on August 2, 2011.

On August 31, 2011, Cogeco Cable concluded and completed an agreement to acquire all the shares of MTO. With over 1,500 kilometres of network, MTO, the largest private telecommunications provider in the Greater Montréal Area and the Province of Québec, offers high-performance Ethernet broadband connectivity services to carrier, enterprise and public sector customers.

These acquisitions were accounted for using the purchase method. The results have been consolidated as of the acquisition date. The preliminary allocation of the purchase price of these acquisitions, pending the completion of the valuation of the net assets acquired, is as follows:

(In thousands of dollars)	**$**
Consideration	
Paid	
Purchase of shares	**133,600**
Preliminary working capital adjustment	**(1,034)**
Acquisition costs	**1,111**
	133,677
Balance due on a business acquisition(1)	**11,400**
Preliminary working capital adjustment payable	**1,429**
Acquisition costs payable	**713**
	147,219
Net assets acquired	
Cash and cash equivalents	**1,409**
Accounts receivable	**4,619**
Prepaid expenses and other	**1,036**
Fixed assets	**27,195**
Deferred charges	**615**
Customer relationships	**34,305**
Goodwill	**94,743**
Accounts payable and accrued liabilities assumed	**(3,626)**
Deferred and prepaid revenue	**(1,538)**
Long-term future income tax liabilities	**(11,539)**
	147,219

(1) Bearing interest at bank prime rate plus 1% and payable in February 2013.

Other investing activities, including mainly capital expenditures, increased by $21 million in the fourth quarter and by $16.9 million in fiscal 2011, mainly due to the following factors:

- An increase in support capital spending stemming from the construction of new facilities and the acquisition of new service vehicles in the Canadian operations;
- An increase in customer premise equipment spending mainly due to the timing of equipment purchases to support RGU growth in the Canadian operations. This increase was partly offset by the decrease in customer premise equipment spending reflecting lower RGU growth in the European operations.

In the fourth quarter of 2011, Cogeco Cable generated free cash flows of $24.4 million compared to $19.2 million in the prior year. The increase in free cash flow is the result of an increase in cash flow from operations outpacing the increase in capital expenditures. For fiscal 2011, free cash flow of $103.8 million was generated, $71.4 million, or 40.8%, lower than in fiscal 2010. The decline in free cash flow when compared to fiscal 2010 is due to an increase of $103.7 million in current income tax expense stemming primarily from modifications to the corporate structure, the increase in financial expense and the increase in capital expenditures, which offset the increase in operating income before amortization in the current fiscal year.

In the fourth quarter of 2011, Indebtedness affecting cash increased by $10.6 million, mainly due to the business acquisitions for a total amount of $132.3 million and the dividend payment of $9.7 million described below, partly offset by the cash inflows of $66.2 million from the changes in non-cash operating items, the decrease in cash and cash equivalents of $40.6 million and the free cash flow of $24.4 million. Indebtedness was reduced mainly through net repayments on the Corporation’s Term Revolving Facility of $11.2 million. In the fourth quarter of 2010, Indebtedness affecting cash decreased by $53.4 million mainly due to the inflows generated by changes in non-cash operating items of $67.4 million and the free cash flow of $19.2 million, partly offset by the increase in cash and cash equivalents of $21.8 million and the payment of dividends totalling $6.8 million described below and an increase in deferred transaction costs of $5.2 million. Indebtedness reduced mainly through a decrease of $44.7 million in bank indebtedness and net repayments on the Corporation’s term and revolving loans of $7.6 million.

During the fourth quarter of fiscal 2011, a dividend of $0.20 per share was paid to the holders of subordinate and multiple voting shares, totalling $9.7 million, 42.9% higher than the dividend of $0.14 per share, or $6.8 million the year before.

During fiscal 2011, the level of Indebtedness affecting cash increased by $4.3 million, mainly due to the business acquisitions for a total of $132.3 million, the dividend payments of $34.5 million described below and the increase in cash and cash equivalents of $19.6 million, offset by the free cash flow of $103.8 million and the cash inflows of $75 million from the changes in non-cash operating items. Indebtedness mainly decreased through the repayment, on December 22, 2010, of the $175 million Senior Secured Notes Series B due on October 31, 2011 and the related make-whole premium on early repayment, combined with a net repayment of $16.2 million on the Corporation’s Term Revolving Facility. The Senior Secured Notes Series B were repaid from the net proceeds of $198.3 million as a result of the issuance, on November 16, 2010, of Senior Secured Debentures Series 2 (“Fiscal 2011 debentures”). During fiscal 2010, the level of Indebtedness affecting cash decreased by $66.2 million, mainly due to the free cash flow of $175.1 million, partly offset by the outflows related to non-cash operating items of $77.5 million, the payment of dividends totalling $27.2 million described below and an increase in deferred transaction costs of $5.2 million. Indebtedness mainly decreased through net repayments on the Corporation’s term and revolving loans of $62.4 million.

Total dividends of $0.71 per share, comprised of quarterly dividends of $0.17 per share in the first three quarters of the year and a dividend of $0.20 per share in the last quarter, were paid during fiscal 2011, for a total of $34.5 million. In fiscal 2010, quarterly dividends of $0.14 per share, totalling $0.56 per share were paid, for an amount of $27.2 million. The 27% increase in the total dividend in fiscal 2011 reflects the progression of the Corporation’s financial results.

NON-GAAP FINANCIAL MEASURES

This section describes non-GAAP financial measures used by Cogeco Cable throughout this Press release. It also provides reconciliations between these non-GAAP measures and the most comparable GAAP financial measures. These financial measures do not have standard definitions prescribed by Canadian GAAP and therefore, may not be comparable to similar measures presented by other companies. These measures include “cash flow from operations”, “free cash flow”, “operating income before amortization”, “operating margin”, “adjusted net income” and “adjusted earnings per share”.

CASH FLOW FROM OPERATIONS AND FREE CASH FLOW

Cash flow from operations is used by Cogeco Cable’s management and investors to evaluate cash flows generated by operating activities, excluding the impact of changes in non-cash operating items. This allows the Corporation to isolate the cash flow from operating activities from the impact of cash management decisions. Cash flow from operations is subsequently used in calculating the non-GAAP measure, “free cash flow”. Free cash flow is used by Cogeco Cable’s management and investors to measure its ability to repay debt, distribute capital to its shareholders and finance its growth.

The most comparable Canadian GAAP financial measure is cash flow from operating activities. Cash flow from operations is calculated as follows:

	Quarters ended August 31,		Years ended August 31,	
	2011	2010	**2011**	2010
($000)	**$**	$	**$**	$
	(unaudited)	(unaudited)	**(audited)**	(audited)
Cash flow from operating activities	**219,509**	194,414	**515,322**	417,284
Changes in non-cash operating items	**(66,158)**	(67,390)	**(74,973)**	77,530
Cash flow from operations	**153,351**	127,024	**440,349**	494,814

Free cash flow is calculated as follows:

($000)	Quarters ended August 31, 2011 $ (unaudited)	2010 $ (unaudited)	Years ended August 31, 2011 $ (audited)	2010 $ (audited)
Cash flow from operations	**153,351**	127,024	**440,349**	494,814
Acquisition of fixed assets	**(126,578)**	(105,219)	**(325,720)**	(308,908)
Increase in deferred charges	**(2,337)**	(2,580)	**(10,872)**	(10,633)
Assets acquired under capital leases	**–**	–	**–**	(141)
Free cash flow	**24,436**	19,225	**103,757**	175,132

OPERATING INCOME BEFORE AMORTIZATION AND OPERATING MARGIN

Operating income before amortization is used by Cogeco Cable's management and investors to assess the Corporation's ability to seize growth opportunities in a cost effective manner, to finance its ongoing operations and to service its debt. Operating income before amortization is a proxy for cash flow from operations excluding the impact of the capital structure chosen, and is one of the key metrics used by the financial community to value the business and its financial strength. Operating margin is a measure of the proportion of the Corporation's revenue which is left over, before income taxes, to pay for its fixed costs, such as interest on Indebtedness. Operating margin is calculated by dividing operating income before amortization by revenue.

The most comparable Canadian GAAP financial measure is operating income. Operating income before amortization and operating margin are calculated as follows:

($000, except percentages)	Quarters ended August 31, 2011 $ (unaudited)	2010 $ (unaudited)	Years ended August 31, 2011 $ (audited)	2010 $ (audited)
Operating income	**104,630**	74,481	**318,805**	251,225
Amortization	**53,468**	63,696	**247,178**	258,871
Operating income before amortization	**158,098**	138,177	**565,983**	510,096
Revenue	**350,168**	324,323	**1,361,166**	1,281,376
Operating margin	**45.1%**	42.6%	**41.6%**	39.8%

ADJUSTED NET INCOME AND ADJUSTED EARNINGS PER SHARE

Adjusted net income and adjusted earnings per share are used by Cogeco Cable's management and investors to evaluate the net income and earnings per share from ongoing operations without the impact of certain adjustments, net of income taxes, which could affect the comparability of the Corporation's financial results. The exclusion of these adjustments does not indicate that they are non-recurring.

The most comparable Canadian GAAP financial measures are net income and earnings per share. Adjusted net income and adjusted earnings per share are calculated as follows:

(in thousands of dollars, except the number of shares and per share data)	Quarters ended August 31, 2011 $	2010 $	Years ended August 31, 2011 $	2010 $
Net income (loss)	**69,565**	39,663	**(47,666)**	157,303
Adjustments:				
Impairment of goodwill and fixed assets	**–**	–	**225,873**	–
Reduction of the Ontario provincial income tax rates	**–**	–	**–**	(29,782)
Adjusted net income	**69,565**	39,663	**178,207**	127,521
Weighted average number of multiple voting and subordinate voting shares outstanding	**48,662,536**	48,513,705	**48,582,989**	48,520,183
Effect of dilutive stock options	**171,525**	136,172	**176,887**	133,994
Effect of dilutive subordinate voting shares held in trust under the Incentive Share Unit Plan	**105,064**	58,219	**100,939**	45,163
Weighted average number of diluted multiple voting and subordinate voting shares outstanding	**48,939,125**	48,708,096	**48,860,815**	48,699,340
Adjusted earnings per share				
Basic	**1.43**	0.82	**3.67**	2.63
Diluted	**1.42**	0.81	**3.65**	2.62

SUPPLEMENTARY QUARTERLY FINANCIAL INFORMATION

				Fiscal 2011				Fiscal 2010
Quarters ended[1]	**Nov. 30**	**Feb. 28**	**May 31**	**Aug. 31**	Nov. 30	Feb. 28	May 31	Aug. 31
($000, except percentages and per share data)	**$**	**$**	**$**	**$**	$	$	$	$
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Revenue	**331,519**	**336,569**	**342,910**	**350,168**	317,365	320,397	319,291	324,323
Operating income before amortization[2]	**129,428**	**134,372**	**144,085**	**158,098**	122,606	122,613	126,700	138,177
Operating margin[2]	**39.0%**	**39.9%**	**42.0%**	**45.1%**	38.6%	38.3%	39.7%	42.6%
Operating income	**66,438**	**69,293**	**78,444**	**104,630**	57,041	56,774	62,929	74,481
Impairment of goodwill and fixed assets	**–**	**–**	**225,873**	**–**	–	–	–	–
Income taxes	**16,101**	**14,017**	**18,547**	**20,304**	(15,766)	11,952	15,060	17,772
Net income (loss)	**33,637**	**31,151**	**(182,019)**	**69,565**	56,666	29,789	31,185	39,663
Adjusted net income[2]	**33,637**	**31,151**	**43,854**	**69,565**	26,884	29,789	31,185	39,663
Cash flow from operating activities	**55,003**	**92,663**	**148,147**	**219,509**	(3,618)	114,037	112,451	194,414
Cash flow from operations[2]	**36,433**	**118,819**	**131,746**	**153,351**	130,229	118,318	119,243	127,024
Capital expenditures and increase in deferred charges	**66,447**	**70,668**	**70,562**	**128,915**	68,221	74,379	69,283	107,799
Free cash flow[2]	**(30,014)**	**48,151**	**61,184**	**24,436**	62,008	43,939	49,960	19,225
Earnings (loss) per share[3]								
Basic	**0.69**	**0.64**	**(3.74)**	**1.43**	1.17	0.61	0.64	0.82
Diluted	**0.69**	**0.64**	**(3.74)**	**1.42**	1.16	0.61	0.64	0.81
Adjusted earnings per share[2][3]								
Basic	**0.69**	**0.64**	**0.90**	**1.43**	0.55	0.61	0.64	0.82
Diluted	**0.69**	**0.64**	**0.90**	**1.42**	0.55	0.61	0.64	0.81

(1) The addition of quarterly information may not correspond to the annual total given rounding.
(2) The indicated terms do not have standardized definitions prescribed by Canadian 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 Results overview.
(3) Per multiple and subordinate voting share.

SEASONAL VARIATIONS

Cogeco Cable’s operating results are not generally subject to material seasonal fluctuations. However, the customer growth in the Basic Cable and HSI service are generally lower in the second half of the fiscal year as a result of a decrease in economic activity due to the beginning of the vacation period, the end of the television seasons, and students leaving their campuses at the end of the school year. Cogeco Cable offers its services in several university and college towns such as Kingston, Windsor, St. Catharines, Hamilton, Peterborough, Trois-Rivières and Rimouski in Canada, and Aveiro, Covilhã, Evora, Guarda and Coimbra in Portugal.

Furthermore, the third and fourth quarter operating margins are usually higher as no management fees are paid to COGECO Inc. Under the management Agreement, Cogeco Cable pays a fee equal to 2% of its total revenue subject to a maximum amount. As the maximum amount has been reached in the second quarters of fiscal 2011 and fiscal 2010, Cogeco Cable did not pay management fees in the second halves of either year.

ADDITIONAL INFORMATION

Additional information relating to the Corporation, including its 2011 Annual Report and Annual Information Form, is available on SEDAR at www.sedar.com.

ABOUT COGECO CABLE

Cogeco Cable (www.cogeco.ca) is a telecommunications corporation and is the second largest hybrid fibre coaxial cable operator in Ontario, Québec and Portugal. 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 to its commercial customers, through its subsidiary Cogeco Data Services, data networking, e-business applications, video conferencing, hosting services, Ethernet, private line, VoIP, HSI access, data storage, data security, co-location services, managed IT services, cloud services and other advanced communication solutions. Cogeco Cable's subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CCA).

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Source:	**Cogeco Cable Inc.** Pierre Gagné Senior Vice President and Chief Financial Officer Tel.: 514-764-4700
Information:	**Media** René Guimond Vice President, Public Affairs and Communications Tel.: 514-764-4746

Analyst Conference Call:

Thursday, October 27, 2011 at 11:00 A.M. (EDT)
Media representatives may attend as listeners only.

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

Canada and US access number: 1 866-322-8032
International access number: + 1 416-640-3406
Confirmation code: 6470562

A rebroadcast of the conference call will be available until November 3 , by dialing:
Canada and US access number: 1 888-203-1112
International access number: + 1 647-436-0148
Confirmation code: 6470562

CUSTOMER STATISTICS

(unaudited)

	2011	2010
Homes passed		
Canada	**1,622,420**	1,593,743
Portugal[1]	**905,742**	905,359
Total	**2,528,162**	2,499,102
Homes connected[2]		
Canada	**992,990**	979,590
Portugal	**264,223**	269,194
Total	**1,257,213**	1,248,784
Revenue-generating units		
Canada	**2,575,795**	2,350,577
Portugal	**831,665**	828,772
Total	**3,407,460**	3,179,349
Basic Cable service customers		
Canada	**877,985**	874,505
Penetration as a percentage of homes passed	**54.1%**	54.9%
Portugal	**255,777**	260,267
Penetration as a percentage of homes passed	**28.2%**	28.7%
Total	**1,133,762**	1,134,772
HSI service customers		
Canada	**601,214**	559,057
Penetration as a percentage of Basic Cable[3]	**70.6%**	66.2%
Portugal	**162,436**	163,187
Penetration as a percentage of Basic Cable[3]	**63.5%**	62.7%
Total	**763,650**	722,244
Digital Television service customers		
Canada	**678,326**	559,418
Penetration as a percentage of Basic Cable[3]	**78.2%**	64.8%
Portugal	**164,580**	159,852
Penetration as a percentage of Basic Cable[3]	**64.3%**	61.4%
Total	**842,906**	719,270
Telephony service customers		
Canada	**418,270**	357,597
Penetration as percentage of Basic Cable[3]	**51.3%**	44.4%
Portugal	**248,872**	245,466
Penetration as percentage of Basic Cable[3]	**97.3%**	94.3%
Total	**667,142**	603,063

(1) The Corporation is currently assessing the number of homes passed.
(2) Represents the sum of Basic Cable service customers and HSI and Telephony service customers who do not subscribe to the Basic Cable service.
(3) Calculated on the basis of the systems where the service is offered.