



PRESS RELEASE
For immediate release

COGECO notches further growth in fiscal 2010

Montréal, December 15, 2010 – COGECO Inc. (TSX: CGO) (“COGECO” or the “Company”) reported its financial results for fiscal 2010 today at its Annual General Meeting, with solid performance in several areas of its business, outpacing nearly all its target key performance indicators.

- Consolidated operating revenues for fiscal 2010 rose 5.5% to \$1,321.7 million.
- Adjusted consolidated operating income before amortization⁽¹⁾ for fiscal 2010 totalled \$519.3 million, up 5.1% from the previous year, excluding the \$21.3 million impact arising from the favourable settlement agreement for the Part II licensing fees in fiscal 2009⁽²⁾.
- Net income for fiscal 2010 totalled \$56.3 million, or \$3.36 per share. Excluding certain unusual adjustments⁽³⁾ recorded in fiscal 2010 and 2009, adjusted net income⁽¹⁾ for fiscal 2010 would have totalled \$46.6 million, or \$2.79 per share, compared with \$36.4 million, or \$2.18 per share, for fiscal 2009, representing increases of 28.1% and 28%, respectively.
- Net cash flows⁽¹⁾ for fiscal 2010 amounted to \$181.3 million, marking a sharp increase of \$80.2 million, or 79.4%, compared with fiscal 2009;
- In the cable sector, revenue-generating units (“RGUs”)⁽⁴⁾ totalled 3,179,349 as at August 31, 2010 thanks to net additions of 287,111 RGUs for the fiscal year.

⁽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 Company’s 2010 Annual Report.

⁽²⁾ For more information, see “Operating costs” and “Operating income before amortization” on page 24 of the Company’s 2010 Annual Report.

⁽³⁾ For more information on these adjustments, see “Adjusted net income” on page 41 of the Company’s 2010 Annual Report.

⁽⁴⁾ Representing the number of basic cable, High Speed Internet (HSI), digital cable and home phone customers.

“COGECO enjoyed a great fiscal 2010 with growth and value creation for our shareholders,” stated Cogeco president and CEO Louis Audet. “We reported solid results for most of our key performance indicators, particularly operating revenues, adjusted net income and growth in RGUs, both in Canada and Portugal. Customer acquisition and retention strategies implemented in the second half of fiscal 2009 in Portugal began generating returns in 2010. Business is booming at our Canadian cable operations, with COGECO booking a record \$157.3 million in net income for fiscal 2010,” added Mr. Audet.

“Our radio operations also reported very strong results. The transaction to purchase Corus Entertainment’s Québec radio stations will make COGECO the second largest radio broadcaster in the Province of Quebec. And that’s a promising growth opportunity for our shareholders,” said Mr. Audet.

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’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 Company’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 believes are reasonable as of the current date. While management considers these assumptions to be reasonable based on information currently available to the Company, they may prove to be incorrect. The Company cautions the reader that the economic downturn experienced over the past two years 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 Company’s expectations. It is impossible for COGECO 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 risks and uncertainties (described in the “Uncertainties and main risk factors” section in the Company’s 2010 annual Management’s Discussion and Analysis (MD&A) that could cause actual results to differ materially from what COGECO 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 Company’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 on this information as of any other date. While management may elect to, the Company 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 Company's MD&A and consolidated financial statements and accompanying notes prepared in accordance with Canadian GAAP appearing in the Company's 2010 Annual Report. Throughout this press release, all amounts are in Canadian dollars unless otherwise indicated.

ABOUT COGECO

COGECO is a diversified communications company. Through its Cogeco Cable subsidiary, COGECO provides its residential customers with Audio, Analogue and Digital Television, as well as HSI and Telephony services using its two-way broadband cable networks. 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, dark fibre, data storage, data security and co-location services and other advanced communication solutions. Through its Cogeco Diffusion subsidiary, COGECO owns and operates the Rythme FM radio stations in Montréal, Québec City, Trois-Rivières and Sherbrooke, as well as the FM 93 radio station in Québec City. COGECO's subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CGO). The subordinate voting shares of Cogeco Cable are also listed on the Toronto Stock Exchange (TSX: CCA).

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